

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Growth and Infrastructure Committee will be held on:

Date: Tuesday 20 February 2018
Time: 9.30am
Meeting Room: Council Chamber
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Growth and Infrastructure Committee OPEN AGENDA

Membership

Chairperson	Cr D Macpherson
Deputy Chairperson	Cr G Taylor
Members	Mayor A King Deputy Mayor M Gallagher Cr M Bunting Cr J R Casson Cr S Henry Cr G Mallett Cr A O'Leary Cr R Pascoe Cr P Southgate Cr L Tooman Vacancy

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Lee-Ann Jordan
Governance Manager

14 February 2018

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Purpose

The Growth and Infrastructure Committee is responsible for:

1. Guiding sustainable physical development and growth of Hamilton to meet current and future needs, through oversight of land-use planning, and aligned provision of fit-for-purpose network infrastructure.
2. Governance of efficient, safe and sustainable roading and transport, three waters, and waste management that enables Hamilton's economy and adds to the liveability of the city.
3. Governance of Hamilton's economic agenda and investment development opportunities consistent with Council's vision for the city.

In addition to the common delegations on page 9, the Growth and Infrastructure Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

1. To monitor and provide advice on the development and implementation of urban growth and development strategies, land use, and spatial plans in line with national policy requirements.
2. To provide direction on strategic priorities for core city infrastructure aligned to city development, and oversight of strategic projects associated with those activities.
3. To provide direction and monitor Council's approach to development contributions.
4. To assess proposals for Private Developer Agreements and, if appropriate, to recommend such agreements to the Finance Committee for approval.
5. To provide advice on the development and implementation of the 30 Year Infrastructure Plan.
6. To provide direction regarding Council's involvement in regional alliances, plans, initiatives and forums for spatial planning, joint infrastructure and shared services (for example, Future Proof, Regional Transport Committee).
7. To consider the impacts of land use and urban development on the environment.
8. To enhance Hamilton's economic position by promoting Hamilton as a business-friendly and business-enabled city and providing advice on strategic initiatives, plans, projects and potential major developments relating to economic and business development.
9. To provide clear direction on Council's strategic priorities to organisations and groups, for which Council facilitates funding, aligned with these Terms of Reference, and to oversee those funding arrangements and receive their strategic and business plans and annual performance reports.
10. To monitor and oversee the delivery of Council's non-financial performance and non-financial key projects, against the Long Term Plan, excluding key performance indicator reporting which is the responsibility of the Finance Committee.

The Committee is delegated the following powers to act:

- Approval of purchase or disposal of land for network infrastructure, or parks and reserves for works and other purposes within this Committee's area of responsibility that exceeds the Chief Executive's delegation.

- Approval of Private Developer Agreements within the budget approved under the Long Term Plan.
- Approval of any proposal to stop any road, including hearing and considering any written objections on such matters.
- Approval of funding for Business Improvement District(s) and Hamilton and Waikato Tourism.

The Committee is delegated the following recommendatory powers:

- Adoption of the 30 Year Infrastructure Plan to Council.
- Approval of additional borrowing to Finance Committee.
- Approval of Private Developer Agreements for unfunded growth projects to Finance Committee.
- Approval of city boundary changes to Council.
- The Committee may make recommendations to Council and other Committees

Oversight of Policies

- *Business Improvement District (BID) Policy*
- *Connections and Charging Policy for Three Waters Policy*
- *Development Contributions Policy*
- *Earthquake-Prone, Dangerous & Insanitary Buildings Policy*
- *Growth Funding Policy*
- *Hamilton Gateways Policy*
- *Sale and Disposal of Council Land Policy*
- *Speed Management Policy*
- *Streetscape Beautification and Verge Maintenance Policy*

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1 Apologies

2 Confirmation of Agenda

The Committee to confirm the agenda.

3 Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for three minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Council Democracy Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Democracy by telephoning 07 838 6439.

Council Report

Committee: Growth and Infrastructure Committee **Date:** 20 February 2018

Author: Rebecca Watson **Authoriser:** Becca Brooke

Position: Committee Advisor **Position:** Governance Team Leader

Report Name: Chair's Report - 20 February 2018

Report Status	<i>Open</i>
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Staff Recommendation

That the Growth and Infrastructure Committee receives the report.

Attachments

Attachment 1 - Chair's Report - 20 February 2018

Attachment 2 - Growth and Infrastructure Committee Schedule of Reports 2016-2019 .



Chair's Report

Hamilton-Auckland Passenger Rail Service

Over the last 2 months, the General Manager, the Mayor and I have been working extensively on the proposed passenger rail service between Hamilton and Auckland; with a particular focus on getting our prospective partners to agree to arrangements that would enable the service to start within the life of this Council.

The crucial step has been to secure central Government funding; the Labour Party's pre-election undertakings included the allocation of \$20M towards the service, to be started within 18 months of taking office, and we have met with the Transport and Finance Minister's, and are having ongoing meetings and discussions with Ministry of Transport officials, NZTA and Kiwirail towards this end.

We submitted to the Regional Council that their Passenger Transport rate for Hamilton residents should include an annual amount in their LTP of \$25 average per property towards the operation of such a service, which that Council supported by a vote of 13-1 at the end of January.

Early in February, the Waikato District Council voted to include \$500,000 in their LTP towards trackside infrastructure (platform, shelter, etc.), and our Council has also included amounts for park & ride and platform facilities at Te Rapa.

Each Council needs surety that the Government will be able to meet their commitments with the support it has previously indicated - in time for final LTP decisions at the end of May.

We have been working on likely costings and revenue streams for the project, and will be able to share these shortly.

Government MPs and Ministers have been exceptionally good to deal with on this issue to date, and I am very hopeful that we will finally see the start of this project in the near future.

Shared Service Water operation with Waipa

Councillors will know that Waipa DC narrowly voted this down just before Christmas, but that some Councillors have expressed a possible desire to have a rethink on the decision. HCC will happily continue talks with Waipa, if that's what they want, but we are not planning to force ourselves on them, despite the obvious advantages to all of us to be gained from working co-operatively.

Access Hamilton Working Group

It is now proposed that this continues as a reference group for staff and management working on transport projects, particularly the 'integrated transport' and 'minor safety

improvements' projects that the city's 168,000 traffic engineers regularly bring to our attention.

It will be open to all Councillors, who will be encouraged to attend, and will ultimately include the work of both the Speed Management Taskforce and the Parking Taskforce (once the current trial is finalised).

Major Resource consent applications - visibility among elected members

I have discussed with the General Manager and CEO the need for major planning issues to be 'visible' to elected members - to the extent that we are aware of what is coming up in the lift, and have the opportunity to express what we feel Council's viewpoint should be, as expressed to the hearings that will take place.

There has been some disconnect, in my opinion, in this area recently, with issues around Council's official view on Harrowfield, Te Awa Lakes and the Ryman Healthcare application not being able to be aired to elected members. My understanding of the RMA does NOT lead me to think that elected members should be given no chance of having a say through democratic processes, not matter what the planning industry/culture thinks!

Conference attendance

While I don't have any specific conferences to suggest we attend, Councillors who have suggestions of ones in the G & I area should feel free to bring them to me, so we can make necessary recommendations for delegates from our Council.

Recommendation

That the Growth and Infrastructure Committee:

- a) receives the report; and
- b) approves the 2018 Growth and Infrastructure Committee Report Schedule.

Councillor Dave Macpherson
Chair, Growth & Infrastructure Committee
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Growth & Infrastructure Committee Report Schedule 2018							
Standard Reports	20-Feb-18	10-Apr-18	29-May-18	19-Jul-18	4-Sep-18	23-Oct-18	6-Dec-18
Chair's report							
General Managers' report							
Guest Presenter							
Strategic Reports	20-Feb-18	10-Apr-18	29-May-18	19-Jul-18	4-Sep-18	23-Oct-18	6-Dec-18
Access Hamilton Strategy - Revised Terms of Reference							
Central City Transformation Plan							
District Plan (Council made operative in October 2017)							
Economic Development Agenda							
Future Proof (bi-monthly update in GM's report)							
Future Proof NPS-UDC quarterly indicator							
HUGS / NPS Assessments (GM's report)							
Draft Open Spaces Provision Policy (moved to Community & Services)							
Three Waters Strategy							
Waikato Mayoral Forum (bi-monthly update in GM's report)							
Waikato Plan (bi-monthly update in GM's report)							
Waikato Regional Economic Development (Economic Development Agency funding request to 10YP)							
Waste Management and Minimisation Plan							
Consultation Approval							
Submission/Legislative Reports	20-Feb-18	10-Apr-18	29-May-18	19-Jul-18	4-Sep-18	23-Oct-18	6-Dec-18
Urban Development Authorities - discussion document							
Waikato Plan Submission							
Submission to WEL Energy Annual Plan							
Special Housing Accord							
Adoption of Waikato Plan							
Adoption of Future Proof strategy - recommendation from Joint Committee							
Policy and Bylaw	20-Feb-18	10-Apr-18	29-May-18	19-Jul-18	4-Sep-18	23-Oct-18	6-Dec-18
Alcohol Control Bylaw 2015							
Animal Nuisance Bylaw 2013							
Business Improvement District Policy (BID) 2016							
Connections and Charging Policy for Three Waters 2016							
Development Contributions Policy 2016/17 (Due for 2018 review)							
Dog Control Policy 2015 (Due for 2018 review)							
Dog Control Bylaw 2015							
Earthquake-Prone, Dangerous and Insanitary Building Policy 2014 (consultation early 2018)							
Gambling - Board (TAB) Venue Policy 2016							
Gambling - Class 4 Gambling Venue Policy 2016							
Growth Funding Policy 2016							
Local Alcohol Policy (LAP) Provisional - hearing May 2018							
Open Air Burning Bylaw 2015 (to be repealed now that governance sits with Fire Emergency NZ)							
Prostitution Bylaw 2009							
Psychoactive Substances (Local Approved Products) Policy 2014							
Public Places Bylaw 2016							
Safety in Public Places Bylaw 2014							
Sale and Disposal of Council Land Policy 2016							
Seismic Performance of Buildings Policy 2017							
Solid Waste Bylaw 2012							
Speed Limit Bylaw 2017							
Speed Management Policy 2012							
Stormwater Bylaw 2015							
Streetscape Beautification and Verge Maintenance Policy 2015 (Due for 2018 review)							
Trade Waste and Wastewater Bylaw 2016							
Traffic Bylaw 2015							
Water Supply Bylaw 2013							

Priority vehicular and pedestrian thoroughfares and routes of strategic importance in Hamilton							
Stakeholder Liaison Reports	20-Feb-18	10-Apr-18	29-May-18	19-Jul-18	4-Sep-18	23-Oct-18	6-Dec-18
Task Force reporting - included in General Managers' report:							
1. Parking Taskforce							
3. Waste Taskforce (GM Update)							
4. Speed Management Taskforce							
NZ Police Update (Cover page)							
WDC Southern Districts Water Supply Agreement							
NZTA Footpath Subsidy (GM item)							
Statement of proposal - Speed Limit Changes							
Determination Report - Speed Limit Changes							
Waikato Expressway Update and Network Signage (AP)							
Auckland to Hamilton Rail Passenger Transport							
Rubbish and recycling - waste review							
Public Transport Development Plan							
Hamilton Central Business Association (HCBA) six-monthly report							
Hamilton Waikato Tourism - six-monthly report							
Update on MOU with SPCA							
WDC Bulk Water Supply Agreement							
NZTA Strategic Submission							
NZTA Expressway Update							
Hamilton City Speed Limit Bylaw Deliberation and Adoption							
Treatment Plant							
Rubbish & Recycling contract extension							
WRC update on Passenger Transport Services & initiatives update							
Te Awa Cycle Project							
BAU Reports	20-Feb-18	10-Apr-18	29-May-18	19-Jul-18	4-Sep-18	23-Oct-18	6-Dec-18
Park and Ride							
Growth Indicator (include in GM's report)							
Development Contributions remissions (quarterly report)	Q2		Q3		Q4		Q1
Rotokauri Growth Cell							
Rototuna Growth Cell							
Ruakura Growth Cell							
Te Papa North Growth Cell							
Temple View Growth Cell							
Infill and Intensification							
Dinsdale Roundabout							
Project Watershed							
Valley Terrace Update							
Stormwater challenges							
Wairere Drive/Cobham Drive update							
Refuse Transfer Station & Hamilton Organic Centre - proposed fee changes							
Footpath Connections to Gardens/Sillary Street Update							
Water and Wastewater Treatment Plant Upgrade Project Update							
Part Road Stopping (Hillsborough Terrace) and land sale - resolved with party							
Cambridge/Cobham Intersection							
Discretionary Transport Programme (GM Update)							
AJ Seeley Gully Land Swap							
Passenger Transport in CBD Update (Buses in CBD)							
Biking Plan review - to Community & Services Committee							
HIF - update							
Valley Terrace Stormwater Pipe Remedial Works							
HIF - Options to advance growth enabling projects							
Boy Racers							
LED Street Lighting Upgrade Report							
LED Upgrade (GM Update)							
Additional LED light opportunities							
Ring Road							
RTC Update							
Thomas/Gordonton Road Intersection Update							

Pukete and Waiora Plant Seismic Strengthening Upgrade							
Petition for kerbside collection of plastics one to seven							
Parking CBD trial Update (GM Update)							
Havelock North Update TBC (GM Update)							
Transport Improvements Programme Taskforce Report							
Costs and implications of plastics for recycling							
Extending kerbside recycling to include items 1-7							
Wairere Drive Ringroad Update							
Intersection of Gordonton and Thomas Road Update (TBC GM Update)							
Road Safety Education (GM report item)							
Rotokauri Developments Limited Developer Agreement (TBC)							
Crash data for Hamilton City (GM Update)							
Smart City approach							
Anzac/Anglesea Bus Lanes (GM Update)							
Letter of intent - Rubbish & Recycling Tenderer							

Council Report

Item 6

Committee: Growth and Infrastructure Committee
Date: 20 February 2018
Author: Amy Viggers
Authoriser: Becca Brooke
Position: Committee Advisor
Position: Governance Team Leader
Report Name: Confirmation of the Growth and Infrastructure Open Minutes - 5 December 2017

Report Status	<i>Open</i>
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Staff Recommendation

That the Committee confirm the Open Minutes of the Growth and Infrastructure Committee Meeting held on 5 December 2017 as a true and correct record.

Attachments

Attachment 1 - Growth and Infrastructure Open Unconfirmed Minutes - 5 December 2017 .

Growth and Infrastructure Committee

OPEN MINUTES

Minutes of a meeting of the Growth and Infrastructure Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Tuesday 5 December 2017 at 9.31am.

PRESENT

Chairperson	Cr D Macpherson
Deputy Chairperson	Cr G Taylor
Members	Mayor A King
	Deputy Mayor M Gallagher
	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr G Mallett
	Cr A O'Leary
	Cr R Pascoe
	Cr P Southgate
	Cr L Tooman

In attendance:

- Richard Briggs – Chief Executive
- Chris Allen – General Manager Infrastructure
- Kelvyn Eglington – General Manager Growth
- Sean Hickey – General Manager Strategy and Communication
- Blair Bowcott – Executive Director of Special Projects
- Maire Porter – City Waters Manager
- Andrew Parsons – City Development Manager
- Robyn Denton – Operations Team Leader
- Emily Botje – Facilities Unit Manager
- Bridget Morgan – Water Asset Manager
- Trent Fowles – Compliance Manager
- Cory Lang – Building Control Manager
- Paul Gower – Programme Manager
- Nigel Ward - Communications Team Leader
- Paul Bowman – Team Leader Economic Growth and & Urban Policy
- Charlotte Catmur – Waste Minimisation Advisor
- Keith Hornby – Senior Strategic Policy Analysis

Waikato Regional Council Representatives – Mike Garrett and Andrew Wilson
Future Proof Representative – Ken Tremaine
City Solicitor - Lachlan Muldowney

Governance Staff:

- Lee-Ann Jordan – Governance Manager
- Amy Viggers and Rebecca Watson – Committee Advisors

1. Apologies

Resolved: (Cr Macpherson/Deputy Mayor Gallagher)

That the apologies from Mayor King (lateness) and Cr O'Leary (lateness) are accepted.

2. Confirmation of Agenda

Resolved: (Crs Macpherson/Tooman)

That the agenda is confirmed noting the following:

- the order of the agenda will be flexible to accommodate external presenters, guests, and staff availability
- Item 9 (*Waikato Regional Council – Update on Passenger Transport Services and Initiatives*) will to be taken at 11.15am to accommodate external presenters.
- An additional item (*Hamilton City Councils Submission to Te Awa Lakes Proposed Plan Change – Perry's Group*) will be taken after Item 16 (*Development Contributions Remissions*) during the open session of this meeting.
- An additional item (*Hamilton City Councils submission to Te Awa Lake Proposed Plan Change – Perry's Group*) will be taken during the Public Excluded session of this meeting to maintain legal professional privilege Section 7 (2) (g).

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

Anna Casey-Cox (Go Eco representative) – Spoke to Item 7 (*Petition for Kerbside Collection of plastics 1-7*). She spoke in support of Council extending kerbside collection of plastics 1-7.

Anita Goodman - Spoke to Item 7 (*Petition for Kerbside Collection of plastics 1-7*). She spoke in support of the Council extending kerbside collection of plastics 1-7 and the role that council could take in encouraging the community to live more sustainably.

Mayor King joined the meeting (9.34am) during the public forum.

Item 7 (Petition for kerbside collection of plastics one to seven) was taken after Item 4 (Public Forum) to accommodate external presenters and members of the public in attendance for the item.

7. Petition for kerbside collection of plastics one to seven

Hemi-May Kelly (resident) presented the petition for kerbside collection of plastics 1-7 to Elected Members (received and validated by staff on 24 October 2017). She responded to questions from Elected Members concerning the positive effect to the environment from reduction of waste sent to landfills.

The Compliance Manager and Waste Minimisation Advisor responded to questions from Elected Members concerning the fluctuation of the recycled plastics market and the potential cost increase related to an increased kerbside collection service.

Resolved: (Crs Bunting/Southgate)

That the Growth and Infrastructure Committee:

- a) receives the report; and
- b) receives the petition and notes it has been submitted to Council and validated by the Governance Unit.

Motion: (Crs Macpherson/Bunting)

That staff report back to the February 2018 Growth and Infrastructure Meeting on the annual cost and other issues of collecting plastics 3-7 as part of the existing contract arrangements.

Amendment: (Crs Pascoe/Tooman)

That the Growth and Infrastructure Committee notes that a proposal is being presented to Council on the full kerbside service change on 6 December 2017, that the matter raised in the petition is considered within the proposal and any changes to the collection of plastics should be considered as part of the whole review of the kerbside service.

The Amendment was put.

Those for the Amendment: Councillors Pascoe, Southgate and Tooman.

Those against the Amendment: Mayor King, Crs Macpherson, Bunting, Casson, Gallagher, Henry, Mallett and Taylor.

The Amendment was declared lost.

The Motion was then put and declared carried unanimously.

Resolved: (Crs Macpherson/Bunting)

That staff report back to the February 2018 Growth and Infrastructure Meeting on the annual cost and other issues of collecting plastics 3-7 as part of the existing contract arrangements.

Item 10 (Extension of Kerbside Rubbish and Recycling Collection Contracts) was taken after item 7 (Petition for kerbside collection of plastics one to seven) was taken after Item 4 (Public Forum) to accommodate members of the public in attendance.

10. Extension of Kerbside Rubbish and Recycling Collection Contracts

The City Waters Manager took the report as read. In response to question from Elected Members staff confirmed that the decision made in the previous item on types of plastics recycled would not impact on this extension of the collection contracts.

Resolved: (Crs Macpherson/Casson)

That the Growth and Infrastructure Committee delegates authority to the Chief Executive to extend the contract term of each of the following contracts with Waste Management Ltd by 12 months from 30 June 2019 to 30 June 2020:

- i) Contract 0201- Kerbside Collection and Disposal;
- ii) Contract 0202- Kerbside Recycling collection and disposal;
- iii) Contract 0203- Refuse Transfer Station Operations and Lease.

Cr O'Leary joined the meeting (10.27am) during the discussion of the above item. She was present when the matter was voted on.

5. Confirmation of Growth and Infrastructure Open Minutes - 24 October 2017

Resolved: (Crs Macpherson/Casson)

That the Committee confirm the Open Minutes of the Growth and Infrastructure Committee Meeting held on 24 October 2017 as a true and correct record.

6. Chair's Report - 5 December 2017

The Chair took the report as read.

Resolved: (Crs Macpherson/Casson)

That the Growth and Infrastructure Committee receives the report.

5. General Managers' Report

The General Manager Infrastructure provided a verbal update on the Parking Taskforce. Staff responded to questions from Elected Members concerning the variable speed signs that were installed on the Thomas and Gordonton Roads intersection, and noted that there had been a decrease in the number crashes at that site. It was confirmed that a report was to coming to the Council regarding Waikato Means Business which would address questions from Elected Members on regional funds and regional economic development.

Staff undertook to provide information on the off street parking subsidy given by Council at the next Growth and Infrastructure Committee.

Staff agreed to provide a summary of the information provided in the Growth indicator reports to future Growth and Infrastructure Committee Meetings.

Resolved: (Crs Macpherson/Pascoe)

That the Growth and Infrastructure Committee receives the report.

Cr Taylor left the meeting (12.02pm) during the discussion of Item 8 (General Managers' Report). He was not present when the matter was voted on.

The meeting adjourned 10.55am-11.15am during the discussion of the above item.

Item 9 (Waikato Regional Council – Update on Passenger Services and Initiatives) was taken during the discussion of the above Item (General Managers Report) to accommodate external presenters.

6. Waikato Regional Council - Update on Passenger Transport Services and Initiatives

Mike Garrett and Andrew Wilson from Waikato Regional Council representatives presented an update on Waikato Regional Council Passenger Transport Services. They responded to questions from Elected Members concerning new routes, including express routes, and retrofitting shelters and curbs in line with Waikato Regional Council accessible transport services.

Staff undertook to provide figures of retrofitting a Kirsty kerb verses installing a Kirsty kerb when a bus stop was first developed.

Resolved: (Crs Macpherson/Tooman)
That the Growth and Infrastructure Committee receives the report.

Item 8 (General Managers' Report) report resumed at the completion of the above item (Waikato Regional Council – Update on Passenger Services and Initiatives).

7. **Deliberation and Adoption of the Hamilton City Speed Limit Bylaw 2013 (Amended 2017)- (Recommendation to Council)**

The Acting Transportation Manager took the report as read noting that in the event of Waikato District Council adopting the change in speed limit to Rotokauri Road (point b of this recommendation) an updated bylaw would be tabled to reflect that decision at the Council Meeting of 14 December 2017.

Resolved: (Crs Casson/Bunting)
That the Growth and Infrastructure Committee:

- a) approves the following changes to the Hamilton City Speed Limit Bylaw 2013:

#	Location	Proposed change to bylaw (indicated in red text and underlined)
1	Knox St	Amend Schedule 3: Designation Areas and Roads with a speed limit of 30 km/h. By the following addition to the schedule: <u>Knox Street - Victoria Street to Anglesea Street.</u>
2	Endeavour Ave	Amend Schedule 4: Designation Areas and Roads with a speed limit of 40 km/h. By the following addition to the schedule: <u>Endeavour Avenue - From a point 40m north east of Cashmere Place to a point 95m south east of Spinnaker Drive.</u>
3	North City Rd and Borman Rd (at Hector Dr)	Amend Schedule 8: Designation Areas and Roads with a speed limit of 80 km/h. By the following change to the schedule: North City Road - <u>From a point 220m north of Bourn Brook Drive Borman Road</u> to Kay Road. Amend Schedule 12: Roads with a variable speed limit By the following changes to the schedule: Hamilton Christian School and Te Totara Primary Borman Road: 90m west of Northcity Road to <u>10m 60m</u> east of Hector Drive. Northcity Road: From Borman Road to <u>50m 195m</u> north of Borman Road.
4	Kimbrae Dr	Amend Schedule 12: Roads with a variable speed limit By the following addition to the schedule

		<p><u>Rototuna High School</u></p> <p><u>Kimbrae Drive: from a point 30m east of the intersection of Bourn Brook Drive extending in an easterly direction to a point 595m east of Bourn Brook Drive.</u></p>
5	Borman Rd and Hare Puke Dr	<p>Amend Schedule 12: Roads with a variable speed limit</p> <p>By the following addition to the schedule</p> <p><u>Sylvester Primary School</u></p> <p><u>Borman Road: from a point 260m west of Hare Puke Drive to a point 110m south east of Hare Puke Drive.</u></p> <p><u>Hare Puke Drive: from a point 95m north of Borman Road to a point 10m north of Wetherby Road.</u></p>
6	Gordonton Road	<p>Amend Schedule 12: Roads with a variable speed limit</p> <p>By the following changes to the schedule</p> <p><u>Variable Intersection Speed Zones are subject to the following conditions:</u></p> <ol style="list-style-type: none"> <u>1. The speed limit is the limit displayed when the variable speed limit signs are operating and the numerals are displayed.</u> <u>2. The variable speed limit signs are activated by vehicles turning within the intersection.</u> <u>3. The variable speed limit applies on the main road(s) of the intersection only.</u> <u>4. The speed limit is the posted speed limit at all times when the variable speed limit signs are not operating.</u> <p><u>60/80 km/h variable speed limit</u></p> <p><u>Gordonton Road: From a point 120 metres north of Thomas Road and extending in a southerly direction to a point 120 metres south of Thomas Road.</u></p>
7	Rotokauri Rd	<p>Amend Schedule 6: Designation Areas and Roads with a speed limit of 60 km/h.</p> <p>By the addition of the following to the schedule:</p> <p><u>Rotokauri Road - From a point 310m west of Kawariki Drive to a point 300m north west of Baverstock Road.</u></p> <p>Amend Schedule 8: Designation Areas and Roads with a speed limit of 80 km/h.</p> <p>By the following change to the schedule:</p> <p><u>Rotokauri Road - From a point 310m west of Karariki Drive to 250m south west of Exelby Road.</u></p> <p><u>300m north-west of Baverstock Road to City Boundary</u></p>
8	Te Kowhai Rd East	<p>Amend Schedule 6: Designation Areas and Roads with a speed limit of 60 km/h</p> <p>By the removal of the following from the schedule:</p> <p><u>Te Kowhai Road East - Te Rapa Road Tasman Road</u></p> <p>Amend Schedule 8: Designation Areas and Roads with a speed limit of 80 km/h.</p> <p>By the removal of the following from to the schedule:</p>

		<u>Te Kowhai Road East- Tasman Road to end (W)</u>	
9	Baverstock Rd	<p>Amend Schedule 7: Designation Areas and Roads with a speed limit of 70 km/h.</p> <p>By the removal the following from the schedule: <u>Baverstock Road - 1200 m north east of Brymer Road to Brymer Road.</u></p>	
10	Wairere Dr	<p>Amend Schedule 6: Designation Areas and Roads with a speed limit of 60 km/h.</p> <p>By the following change to the schedule: Wairere Drive: <u>50m 135m</u> north of Ruakura Road to the southern end.</p> <p>Amend Schedule 8: Designation Areas and Roads with a speed limit of 80 km/h.</p> <p>By the following change to the schedule: Wairere Drive - Arthur Porter Drive to <u>50m 135m</u> north Ruakura Road.</p>	
11	Masters Ave, Silverdale Rd, Barrie Cres and Morris Rd	<p>Amend Schedule 12: Roads with a variable speed limit</p> <p>By the following changes to the schedule</p> <p><u>Silverdale Primary School and Hillcrest High School.</u></p>	
12	Schedule 15 Speed Limit Map	<p>Amend Schedule 15: Hamilton City Speed Limits Map</p> <p>By the removal of the old map from the schedule and replacement with a new map included as part of Attachment 1</p>	
13	Schedule 8: Designation Areas and Roads with a speed limit of 80 km/h	<p>Amend Schedule 8: Designation Areas and Roads with a speed limit of 80 km/h</p> <p>By the following changes to the schedule:</p> <p>Brymer Road-<u>425m north of Baverstock Road to 75m south of Rotokauri Road to Rotokauri Road.</u></p> <p>Exelby Road - Rotokauri Road to <u>340m north west of Lee Road. Te Kowhai Road</u></p> <p>Horsham Downs Road - 10m north of North Ridge Drive to <u>155m north of Borman Road. Kay Road</u></p> <p><u>Rotokauri - From a point 310m west of Karariki Drive to 250m south west of Exelby Road. 300m north-west of Baverstock Road to City Boundary</u></p>	
14	<p>Amend Schedule 11: Roads Located in Neighbouring Authorities included in this bylaw.</p>	<p>Amend Schedule 11: Roads Located in Neighbouring Authorities included in this bylaw.</p> <p>By the following changes to the schedule:</p>	
Speed Limit			
<u>50</u>		<u>Brymer Road - 45m west of Farnborough Drive 425m north of Baverstock Road.</u>	
<u>80</u>	<u>Exelby Road - 340m north west of Lee Road to Te Kowhai Road.</u>		

		<u>80</u>	<u>Greenhill Road 1115m east of Gordonton Road (with Waikato District Council)</u>
		<u>80</u>	<u>Horsham Downs Road - Kay Road to 155m north of Borman Road (with Waikato District Council)</u>
		<u>80</u>	<u>Kay Road - Horsham Downs Road to 10m east of Osborne Road (with Waikato District Council).</u>
		<u>100</u>	<u>Kay Road - Osborne Road to River Road (with Waikato District Council)</u>
		<u>50</u>	<u>Rotokauri Road (50km/h) - From city boundary to a point 235m northeast of Bagust Road (with Waikato District Council).</u>
		<u>100</u>	<u>Rotokauri Road - From a point 250m south west of Exelby Road to a point 235m northeast of Bagust Road (with Waikato District Council).</u>
		<u>50</u>	<u>Saxby Road - McDonald Road to end (with Waipa District Council).</u>

b) notes that Waikato District Council are currently consulting on a speed limit change on Rotokauri Road which if adopted at the 11 December 2017 Waikato District Council full Council meeting will require the following change to be made to the Hamilton City Speed Limit Bylaw 2013:

14	Amend Schedule 11: Roads Located in Neighbouring Authorities included in this bylaw.	Amend Schedule 11: Roads Located in Neighbouring Authorities included in this bylaw.	
		By the following changes to the schedule:	
		Speed Limit	
		<u>80</u>	Rotokauri Road - From a point 250m south west of Exelby Road to a point 235m northeast of Bagust Road (with Waikato District Council).

c) recommends to Council the adoption of the Hamilton City Speed Limit Bylaw 2013 (amended 2017) as set out in Attachment 1 to this report and notes that in the event of Waikato District Council adopting the change in speed limit to Rotokauri Road (point b of this recommendation) an updated bylaw will be tabled to reflect that decision at the meeting of 14 December 2017.

Mayor King left the meeting (12.06pm) during the discussion of the above item. He was not present when the matter was voted on.

Cr Taylor joined the meeting at (12.08pm) during the discussion of the above item. He was present when the matter was voted on.

8. Water and Wastewater Treatment Plant Upgrade Project Update

The City Development Manager introduced the report. He explained that it was more effective on a number of levels to complete the Wastewater Treatment Plant Upgrade before commencing with the Water Treatment Plant Upgrade.

Resolved: (Cr Macpherson/Henry)

That the Growth and Infrastructure Committee:

- a) receive the report; and
- b) approve the project macro scope of the Wastewater Treatment Plant Upgrade project to incorporate the programme set out in paragraph 26 with the budget of \$25,707,000.

9. Treatment Plant Seismic Strengthening Upgrade – (Recommendation to Council)

The Water Asset Manager introduced the report. Staff responded to questions from Elected Members confirming that the strengthening of the treatment plants' buildings would be to the 34% National Building Standard requirement and that further strengthening would be considered during the project.

Resolved: (Cr Macpherson/Cr Bunting)

That the Growth and Infrastructure Committee recommends that the Council:

- a) approves a total project budget of up to \$1,620,000 including \$1,500,000 capital and \$120,000 operational cost, to seismically strengthen four buildings located at the Pukete Wastewater Treatment Plant and the Wairoa Water Treatment Station; and
- b) notes the unfunded budget will be reported through risks and opportunities.

Item 16 (Development Contributions Remissions Quarter 1 2018) was taken after item 13 (Treatment Plant Seismic Strengthen Upgrade) to accommodate external presenters.

10. Development Contributions Remissions Quarter 1 2018

The General Manager Growth introduced the report. Staff responded to questions from Elected Members concerning the three categories of development contributions remission within the policy.

Resolved: (Cr Macpherson/Deputy Mayor Gallagher)

That the Growth and Infrastructure Committee receives the report.

The meeting adjourned 12.27pm to 1.33pm.

Deputy Mayor Gallagher and Cr Casson retired from the meeting during the above adjournment.

18. Hamilton City Councils submission to Te Awa Lake Proposed Plan Change – Perry's Group

The General Manager Growth gave a verbal report on the process that was followed when making Council Submission On the Te Awa Lake proposed plan change. Staff responded to questions from Elected Members concerning the submissions process.

Resolved: (Crs Macpherson/Casson)

That the Growth and Infrastructure committee:

- a) receives the verbal report from staff on the Te Awa Lake Project; and
- b) requests the General Manager Growth report back to the next Growth and Infrastructure Committee meeting on the future process for involving Elected Members in key high level planning issues.

Deputy Mayor Gallagher and Cr Casson re-joined the meeting (2.04pm) during the discussion of the above item. They were present when the matter was voted on.

Cr O'Leary retired from the meeting (2.13pm) during the discussion of the above item. She was not present when the matter was voted on.

11. Future Proof Strategy Adoption – (Recommendation to Council)

Ken Tremaine (Future Proof representative) introduced the report. Along with staff, he responded to questions from Elected Members on the strategy of Future Proof shifting to be more agile to support sub regional growth and reflective of the new National Policy Statement once completed by Central Government.

Resolved: (Crs Southgate/Casson)

That the Growth and Infrastructure Committee:

- a) receives the report;
- b) recommends to the Council that the Future Proof Strategy – Planning for Growth 2017 be adopted; and
- c) recommends the Council requests the Futureproof Implementation Committee amends the process for making submissions, to ensure that before any submission is formally submitted by the Futureproof Chair, the content of the submission is discussed and feedback sought with the Futureproof Implementation Committee members, either at the next available meeting or if timeframes do not allow, by email or phone.

12. Future Proof NPS-UDC Quarterly Market Indicator Monitoring Report - June 2017

The Senior Strategic Policy Analyst introduced the report. Staff responded to questions from Elected Members concerning whether there was a requirement for council to complete the monitoring report and what had caused the delay in the report being released.

Resolved: (Crs Macpherson/Casson)

That the Growth and Infrastructure Committee receives the report.

Cr Southgate left the meeting at 3.45pm during the discussion of the above item. She was not present when the matter was voted on.

Mayor King left the meeting at 3.49pm during the discussion of the above item. He was not present when the matter was voted on.

Cr Pascoe retired from the meeting at 4.52pm during the discussion of the above item. He was not present when the matter was voted on.

17 Resolution to Exclude the Public

Resolved: (Crs Macpherson/Bunting)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of Growth and Infrastructure Public Excluded minutes - 24 October 2017) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. PX - Development Contributions Remissions)	
C3. Verbal Update on the Perry's Private Change Plan Submission		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C2.	to maintain legal professional privilege	Section 7 (2) (g)
Item C3.	to maintain legal professional privilege	Section 7 (2) (g)

The meeting went into a Public Excluded session at 3.53pm.

The Public Excluded session of the meeting closed at 3.57pm and went back into the open session for the following item.

19 Late Item: Petrol Tax – (Recommendation to Council)

The Chief Executive introduced the item. He explained that the reason the item was late was due to recent information received from Central Government. The Chief Executive confirmed that the purpose of discussing the late item was to allow further discussions to occur with Central Government and that there would be public consultation on the matter within the 10 Year Plan consultation document. Elected Members were advised that further information concerning this matter would be reported once it was determined.

Resolved: (Mayor King/Cr Macpherson)
That the Growth and Infrastructure committee:

- a) approves that the mayor and Chief Executive will negotiate directly with Central Government to secure an increased fuel tax from 1.1c to 10c for Hamilton City; and
- b) notes the Council will be requested to consider this recommendation from the Growth and Infrastructure Committee as a late item for the Council meeting on 6 December 2017.

The meeting was declared closed at 4.13pm.

Council Report

Item 7

Committee:	Growth and Infrastructure Committee	Date:	20 February 2018
Authors:	Chris Allen and Kelvyn Eglinton	Authorisers:	Kelvyn Eglinton and Chris Allen
Positions:	General Manager City Infrastructure and General Manager City Growth	Positions:	General Manager City Growth and General Manager City Infrastructure
Report Name:	General Managers' Report		

Report Status	<i>Open</i>
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Purpose

1. To inform the Growth and Infrastructure Committee of topical issues, areas of concern and items which need to be brought to the Committee's attention but which do not necessitate a separate report.

Staff Recommendation

That the Growth and Infrastructure Committee receives the report.

Discussion

2. This report provides updates to Elected Members on activities, actions or projects contained within the following plans or strategies for which this Committee and the relevant General Managers have responsibility over and for which significant progress has been made:
 - Hamilton Plan
 - Central City Transformation Plan (CCTP)
 - Economic Development Agenda
 - Access Hamilton

Growth Indicator Report (GM City Growth)

3. The quarterly growth indicator reports to the end of December 2017, "Hamilton's Housing Market and Economy" (Attachment 1) and "Hamilton's Business Economy" (Attachment 2) are attached.
4. The next update will be provided to the Committee on 29 May 2018.

Hamilton Central Business Association (GM City Growth)

5. Hamilton Central Business Association (HCBA) presented its financial report to 30 June 2017 at the 12 September 2017 meeting of the Growth and Infrastructure Committee.

6. It was requested that the HCBA Annual Report be provided to the Growth and Infrastructure Committee once available. This is now provided as Attachment 3.
7. HCBA will provide its six-monthly report to the next meeting of the Growth and Infrastructure Committee, on 10 April 2017.

Hamilton Properties Limited (GM City Growth)

8. On 21 September 2017 the Council resolved to “*dissolve Hamilton Properties Limited as a Council entity*”.
9. This work has now been completed and Hamilton Properties Limited has been removed from the Companies’ Register.
10. Tompkins Wake advises that no further action is required and that Hamilton Properties Limited is dissolved.

Local Alcohol Policy Update (GM City Growth)

11. The process of the Provisional Local Alcohol Policy (the provisional policy) was considered at the Feb 2017 Council meeting where a decision was made to cease negotiations and defend the provisional policy as originally approved.
12. The authority who will oversee the hearing is the Alcohol Regulatory and Licensing Authority (ARLA). The hearing is now scheduled for May 2018.
13. Until the provisional policy becomes finalised, when making a licencing decision the District Licencing Committee (DLC) is required to apply [The Sale and Supply of Alcohol Act 2012](#) (the 2012 Act) . The provisional policy cannot be finalised until it has been considered by ARLA and all the appeals are resolved.
14. The table below sets out the key occurrences relating to the scheduled hearing date:

Date	Event
8 Feb 2017	The process of the provisional policy was considered at Council. The Council was presented with the options to: <ul style="list-style-type: none"> • continue negotiations with the three appellants, or; • cease negotiations and defend the provisional policy, or; • abandon the provisional policy process. The Council resolved to go directly to a hearing and defend the provisional policy as originally approved.
19 Sept 2017	ARLA advised that a hearing date of 9 April 2018 was available. All parties confirmed availability.
22 Dec 2017	An exchange of evidence timetable (timetable) was confirmed by ARLA and provided to parties confirming a hearing date of 9 April 2018.
17 Jan 2017	Progressive seeks amended hearing date due to delay in NZ Police providing required data.
25 Jan 2017	Judicial teleconference with ARLA where ARLA expresses frustration with delay in provision of data and agrees to extend time to complete disclosure by NZ Police and extends hearing date one month to May 2017.
29 Jan 2018	In accordance with ARLA timetable, the Council’s position of defending the provisional policy, as per the Council resolution, formally advised to ARLA and the appellants.
19 March 2018	The appellants must make their evidence available to all parties including the Council.

9 April 2018	The Council must make its evidence available to all parties.
23 April 2018	The appellants have the right to respond to the Council's evidence.
7 May 2018	The hearing is set to commence.
<p><u>Recent Provisional Policies defended by other City Councils in 2017</u></p> <p>Auckland and Christchurch Councils did not successfully negotiate and defended their provisional policy through the hearing process in 2017. ARLA advised these Councils that their policies needed to be amended.</p> <p>Auckland currently has judicial reviews against its policy meaning the earliest opportunity for adoption will be in 2019.</p> <p>Christchurch has abandoned its policy altogether. The cost for Christchurch's development of the provisional policy was in excess of \$1million.</p> <p>Auckland has not published costing information.</p> <p>Similar to Hamilton City Council, both Auckland and Christchurch Councils commenced the policy development process in 2013.</p>	

Relocation of St. Paul's Methodist Church from London Street to Te Kowhai (GM City Growth)

Background

15. The Board of Administration of the Methodist Church of New Zealand has obtained consent to remove a B ranked heritage building (St Paul's Methodist Church) from its current site at 62 London Street and seeks consent to the installation of a commemorative display following the removal of the church building, involving signage and structures.
16. The consent enables them to relocate the building to a site at 714 Te Kowhai Road for use as a cafe. The relocated site falls within Waikato District. A separate resource consent has been obtained from the Waikato District Council for the relocation and proposed use, with the consent being approved on the 14 July 2017. The proposed relocation will involve the church building being seismically strengthened and refurbished.

Relevant matters for consideration by Commissioner

17. The building has a B ranking as outlined in the District Plan. Given the plan has only been recently made operative, any significant heritage values present may have given it the higher A ranking.
18. The building has been unused for some time and requires significant investment in respect of earthquake strengthening and refurbishment.
19. The applicant advised that it does not have funding to undertake such work. Also, an applicant cannot be required to undertake such refurbishment.
20. The applicant as owner of the site and building does not wish to invest in the current structure and wishes to at some later date consider its options in respect of a site that has been cleared of the existing building. This approach is one which an applicant is entitled to pursue.

Commissioner's Conclusion

21. "On balance, having considered all relevant matters, I find that it would be appropriate to grant consent for removal of the building as sought. This will allow for retention and refurbishment of the building albeit in a different location. It would also be used as a café so will have purpose as opposed to deteriorating on its existing site.
22. While as noted by submitters and in the expert evidence of Ms Kellaway and other witnesses that the building would no longer have its historic and CBD context, the actual heritage

building would not be lost to the Waikato region. This seems to me to be an appropriate way to see the building relocated and repurposed and its features being retained. Whilst this may not be regarded as an appropriate solution from the perspective of submitters, it does allow for retention of the building than being retained on its existing site being allowed to deteriorate and not being put to any particular use”.

Council's process

23. Council delegated its decision-making authority to an independent commissioner;
24. That independent commissioner is responsible for the process at the hearing and, ultimately, the determination of the matter;
25. It is open to the independent commissioner to go against the recommendation of Council officers (i.e., grant consent when the s42A Council report writer recommended a decline);
26. Council cannot appeal its own decision (nor could it attempt to review the hearing process);
27. The submitters and/or the applicant can appeal the decision;
28. In the event that the decision was appealed, Council officers would need to advise the Court and the parties of their position (i.e., that they are unable to support the decision);
29. Council would effectively then abide by the decision of the Court.
30. There may be the potential for Council to reach a different view as a result of an amended proposal etc. if offered via the appeal process by the applicant. That is not a current scenario at this stage.
31. In answer to queries raised by Councillors, should Council wish to pursue the heritage issues further, Council could decide to make and fund a submission to list the building through a Waikato District Council Plan change process. There would be no guarantee of success and could be difficult given the separation from its subject site.
32. Further queries related to the operation of a car parking business at the site without consent (as referenced within the Commissioners report) is being investigated by the compliance team as a separate matter.
33. The Methodist Church did not apply to the Council's heritage fund for assistance

Shared Waters Management Company (Executive Director Special Projects)

34. HCC resolved on 12 December 2017 to establish a Shared Waters Management Company (SWMC) with Waipa District Council. On 19 December 2017, Waipa District Council declined to proceed with a SWMC by a narrow majority.
35. Subsequent to this decision there has been extensive media coverage. Waipa has also received notice of a potential judicial review of the decision from a ratepayer.
36. HCC understands that Waipa is seeking legal advice in light of the notice of potential judicial review.
37. HCC have advised Waipa that our intention to form a SWMC remains if they decide to reconsider their decision. However, it is our expectation that to proceed to the next stage Waipa would need to demonstrate a firm commitment to the SWMC, indicating a solid majority in the Council decision.
38. A verbal update will be provided to this meeting.

Rail (GM City Infrastructure)

39. At its 4 September 2017 meeting the Regional Transport Committee agreed to undertake a strategic Business case to investigate future transport connections between Hamilton and

Auckland and at the same meeting agreed to convene a special Working Group to oversee the work.

40. The Working Group consists of members from Hamilton City Council, Waikato Regional Council, Waikato District Council, Auckland Council, Auckland Transport, NZ Transport Agency, and KiwiRail supported by officials from Ministry of Transport and Treasury. There have been 2 meetings and a draft Business Case will be available at the next Working Group meeting in March 2018.
41. The Strategic Business Case is focusing on the long-term issue of transport connectivity between Hamilton and Auckland alongside the more pressing need to understand a proposal to introduce an interim rail service that gives effect to government policy.
42. To support a business case part of the work overseen by the Working Group includes a passenger demand survey. This work has been contracted to Mobius and the results are just emerging. A verbal update will be provided at the meeting.
43. The Minister of Transport sent a letter to all Regional Land Transport Committees on 20 November 2017 to provide a list of emerging transport priorities that would be included in the soon to be released Government Policy Statement (GPS) on transport (Attachment 6). This provided an indication that public transport would have greater priority in cities than it has previously been given as would expanding the public transport system to support new housing and interregional commuting. The Minister also indicated that there would also be an increase in rail to enable efficient passenger and freight use.
44. Given the timing of Council 10-Year Plans, the Mayors of Hamilton City and Waikato District together with the Chair of Waikato Regional Council had already written to the Minister on 16 November 2017 seeking specific policy direction on a Hamilton to Auckland passenger rail service (Attachment 7). A response was received on 31 January 2018 (Attachment 8).
45. The Minister has indicated that he intends to progress work on a service between Hamilton and Auckland as a matter of priority and that he was making his officials available to agree on the key elements that any proposal and the business case needed to cover. He also indicated that he was convening a broader discussion with key Waikato stakeholders to advance development of the Auckland to Hamilton corridor as part of a wider regional growth initiative. This meeting is now confirmed for 26 February 2018.
46. The Chair of Growth and Infrastructure and General Manager City Infrastructure have been working closely with Waikato Regional Council and KiwiRail to assess a proposal for an interim passenger rail service using refurbished rolling stock and minimum infrastructure investment.
47. An interim passenger rail service will require funding with the 3 main components being
 - Capital- rail infrastructure associated with a service- platforms, park and rides etc
 - Capital- Rolling Stock
 - Operational Funding
48. HCC has included rail related infrastructure capital projects in its draft 2018-28 10-Year Plan. Waikato District Council advised at the last working group meeting that they have now also included a project in their draft 2018-28 10 Year Plan for upgrading rail platforms.
49. It is normal for a Regional Council to be involved in the operation of public transport services and they have now agreed, at Hamilton's request, to include an Interim Hamilton to Auckland passenger Service in their 2018-28 10-Year Plan for public consultation.
50. They have proposed including in their draft 2018-28 10-Year Plan "an increase in their passenger transport targeted rate by an average of \$25 per Hamilton median value Property (pro-rated for 6 months in 2018-19)."

51. A copy of the report that went to WRC is attached (Attachment 9). This is a good summary of the proposed service and its associated indicative costs.
52. The proposal and the indicative costs can only be considered as very preliminary at this stage and there is a lot more work required to finalise the service and to refine cost. It is clear that the service will only be viable for the first period of time if government is prepared to invest substantially in the proposal in order to give effect to their policy.
53. A number of discussions are planned with various parties including government and KiwiRail with a view to having more clarity by the end of May this year when respective Councils need to make final decisions on what will be included in their 10-Year Plans.

LED Streetlighting Upgrades– Progress Update (GM City Infrastructure)

54. At the 12 September 2017 meeting of the Growth and Infrastructure Committee approval was given for an upgrade programme for replacing existing streetlight luminaires with LED luminaires.
55. Stage 1 of the programme (residential streets) is now well underway and there has been positive feedback on the work that has been completed.
56. There was a small hold on work around the Hamilton Observatory while an investigation was undertaken on further screening/light spill mitigation options to ensure that 'dark sky' requirements which are necessary for night-time photography could be achieved. The supplier has agreed to develop a new luminaire that meets the Observatory requirements. It is expected that this new technology will also be well used internationally.
57. Stage 2 of the project (lighting on arterial routes and State Highways) has been awarded. Road designs and testing is currently underway with the first delivery expected April/May 2018.
58. A verbal update on progress will be provided at the meeting by the acting Infrastructure Alliance Manager Mike James.

NZ Transport Agency Footpath Subsidy (GM City Infrastructure)

59. Staff were requested to advise on the policy position for local authorities receiving financial support for maintaining and renewing footpaths.
60. The Transport Agency provides funding from the *National Land Transport Fund (NLTF)* for approved activities in the *National Land Transport Programme (NLTP)*. Under the Land Transport Management Act 2003, the Transport Agency must give effect to the Government Policy Statement (GPS) in developing the NLTP and take account of the GPS when approving funding for activities.
61. The 2015-18 NLTP, and all previous NLTP's, have made no allowance for the maintenance or renewal of footpaths.
62. The current draft 2018 GPS does not provide for NLTP funding to be used for the maintenance or renewal of footpaths.
63. The Minister of Transport, Hon. Phil Twyford has provided a letter to all Regional Land Transport Committees setting out the governments priorities and indicating that these will be reflected in an updated version of 2018 GPS to be distributed for consultation (Attachment 6).
64. The revised GPS is yet to be distributed.
65. Staff will consider the revised GPS when it is received and identify any opportunities to submit on this issue.

Discretionary Transport Programme (GM City Infrastructure)

66. The Discretionary Transport Programme for the 2017/18 financial year was approved by the Growth and Infrastructure Committee at the 1 August 2017 meeting.
67. The delivery of the programme is well underway, with some projects (eg Te Rapa/Forest Lake intersection improvements and Baverstock Rd pedestrian improvements already completed.
68. Tenders for the remaining projects are currently being analysed and a contractor will be appointed during February 2018.
69. Since the programme was agreed, there have been two further sites raised via community requests which staff believe have safety issues that warrant the projects being included in this year's programme.
 - Silverdale Road Pedestrian Crossing (adjacent to the shops)
 - Saxbys Road/MacDonald Road intersection
70. Silverdale Road pedestrian crossing is well used throughout the day by pedestrians walking to the Waikato University, the adjacent shops and nearby schools. The approved programme had a project for a pedestrian crossing upgrade in Bankwood Road and it is proposed that the Bankwood project be delayed accommodating Silverdale Road this financial year.
71. There have been ongoing concerns raised by adjacent residents about speed in Saxbys Road and inappropriate driver behaviour in the intersection with MacDonald Road. Recently there have been crashes because of this behaviour which has resulted in increasing concern from these residents.
72. A draft improvement plan has been developed and consultation with residents (including a public meeting held on site on 26 January 2018) has received positive feedback and support for the proposed improvements.
73. It is proposed to add Saxbys Road/MacDonald Road intersection to the list of projects for this year (2017/18), with funding for the work becoming available by delaying until next financial year (2018/19) proposed works to formalise the layout at Wairere/Huntington intersection and changes to Gordonton Road.
74. This intersection is now performing satisfactorily and the delay allows the latter work in Gordonton Road to be considered as part of the business case for Gordonton/Thomas improvements.
75. If there is funding available to complete Bankwood pedestrian crossing and Huntington intersection once the other work has been progressed, we will do this work this year also.

Intersection of Gordonton and Thomas Roads – Update (GM City Infrastructure)

76. Monitoring of the variable speed limit (60km/h when vehicles are turning within the intersection) is continuing. A verbal update will be provided at the meeting.
77. Concept design work for the intersections upgrade is progressing well.
78. A large roundabout is potentially the best strategic solution and deliver the best long-term safety improvement however this would require land purchase on the eastern side of Gordonton Road in Waikato District. A designation process is likely to be required to support any land acquisition and this could potentially delay the project by about 1-2 years.
79. Staff have also considered intersection options that fit within the existing road boundaries to avoid any land acquisition process. Two options are available; 1) a smaller roundabout (Attachment 5) or, 2) a smaller signalised intersection (Attachment 6). Both options would have a medium to long-term life of about 20 years depending on the rate of city growth or the timing of major urban development to the east.

80. Staff are progressing both the smaller roundabout and the signals option noting that these could be built in the 2018/19 summer construction season.
81. Signals are emerging as the best technical solution given the constrained site and Tee junction layout (3 approach roads). To minimise injury in the event of a crash, the posted speed along Gordonton Road will need to be permanently reduced to 60km/h as part of any roundabout or signals solution. This will likely require a speed threshold (gateway) located between Borman Road and Thomas Road to reinforce the change in speed.
82. Any proposed improvements at the Thomas Rd / Gordonton Road intersections will be subject to an independent safety audit prior to commencement of physical works. Subject to the results of the independent safety audit, staff will develop the signals option for construction noting that NZTA approvals are still required for a business case and/or subsidy.
83. Work is also underway to develop a corridor business case for Gordonton Road between the Wairere Drive / Gordonton Road roundabout and the city boundary (north of Borman Road).

Crash data for Hamilton City (GM City Infrastructure)

84. The 20 June 2017 meeting of the Growth and Infrastructure Committee resolved to set Hamilton City Council's road death target in 10 year's time as zero in the Access Hamilton Programme 2017.
85. To assist monitoring of progress against this target, an update will be provided at each Growth and Infrastructure Committee on the fatal crashes that have occurred during the year.
86. To date we have not had any fatal crashes in 2018. As a reference, the following fatal crashes occurred in 2017.

#	Date	Road	Crash Description	Sex, fatality type, age
1	30.1.17	SH1 (Cobham Dr) Hillcrest	Vehicle travelling north on Cobham Drive has moved from left lane into right lane and clipped a second vehicle travelling adjacent to them. The second vehicle has crossed the central median island and had a head on impact with a south bound vehicle.	Male driver, aged 77
2	5.4.17	Te Rapa Road	Cyclist moved slightly ahead of a truck in the approach to the roundabout intersection with Sunshine Ave. Truck has turned left at the intersection striking the cyclist.	Male cyclist, aged 67
3	8.4.17	Anzac Parade	East bound vehicle crossing the bridge drifted across the centreline and collided head on with a bus at the Memorial Drive intersection.	Male driver, aged 54
4	15.8.17	River Road	Vehicle fleeing Police southbound on a straight section of River Road. Vehicle has lost control, crossed the oncoming lane, left the road and hit a tree.	Male driver, aged 18
5	21.12.17	Ruakura Road	Pedestrian was crossing from central island at signal controlled pedestrian refuge on 4 lane road. Pedestrian stepped onto crossing and was hit by westbound truck travelling in the right hand lane.	Female pedestrian, aged 91

Hamilton Ring Road – Cobham Drive Connection (GM City Infrastructure)

87. The following resolutions were made at the 24 October 2017 Growth & infrastructure Committee meeting;
- a) delegates authority to the Chief Executive to award a direct appointment contract with WEL for electrical service relocations at the Wairere/Cobham intersection to an approved contract sum of \$500,000;
 - b) delegates authority to the Chief Executive to award a direct appointment contract with FirstGas for gas utility service relocations at the Wairere/Cobham intersection to an approved contract sum of \$500,000; and
 - a) delegates authority to the Chief Executive to award Contract 17142 for enabling works of the Wairere Drive extension to Cobham Drive, subject to the Approved Contract Sum not exceeding \$4 million.
88. Staff have been working in accordance with the resolutions above and the extension of Wairere Drive to Cobham Drive is progressing well, with enabling works now underway and designs for the main interchange well advanced. First activities onsite will include vegetation removal necessary to install services and complete stormwater works.
89. This project will provide the final link in the Hamilton major arterial ring road network, and also provides the gateway to the future Peacockes growth area at the Cobham/Wairere intersection overbridge.
90. Staff are on track to tender and award the main construction contract for construction commencement in September/October 2018 to maximise the use of next summer construction season. This will be dependent on the 2018-28 10-Year Plan funding decisions.

Bus Lanes Anglesea/Anzac (GM City Infrastructure)

91. A dedicated bus lane network on the southern end of Anglesea Street (Knox Street to Anzac Parade) and Anzac Parade (Anglesea Street to Victoria Street) will be installed this year as part of the Discretionary Transport Programme.



Proposed bus lane network

92. The first stage of the bus lane network in Anzac Parade between Anglesea Street and Victoria Street was installed in February 2018
93. The bus only lane will operate Monday to Saturday, 6am to 6.30pm giving buses priority during peak operating times. There will be no carparks available during bus lane operation hours however carparks will be available for night events, particularly given the proximity to Meteor Theatre. There will be no impact on the existing vehicle lanes on Anzac Parade.
94. The second stage will be to install the same restrictions in Anglesea Street between Knox Street and Anzac Parade. This will result in the loss of parking in this section – but the loss will be offset by the installation of angle parking in Knox Street on the southern side of the road.
95. A signalised pedestrian crossing will also be installed in Anglesea Street to provide a safe crossing point for pedestrians who will have to cross five traffic lanes once the bus lane is introduced.

Parking TaskForce Update (GM City Infrastructure)

96. The Parking TaskForce last met 9 February 2018 and have requested staff to bring a full parking trial update report to Growth and Infrastructure Committee meeting on 10 April 2018.
97. The parking proposal was approved by Council at its 1 June 2017 meeting. Council resolved to approve the parking proposal recommended by staff with the following amendments that arose from an alternative proposal tabled at the meeting.
 - I. *The continuation of the parking meters in the central city;*
 - II. *Removal of the proposed increase to the Access Hamilton Targeted Rate (noting that the targeted rate for the Central Business Improvement District is retained);*
 - III. *Provision for paid on-street parking beyond the 2 hours free parking limit;*
 - IV. *An increase to user pays charges for metered on-street parking from \$2 per hour to \$6 per hour for every hour after the first 2 hours; and*
 - V. *The proposal will be implemented as a trial with a review by Council prior to 30 June 2018*
98. The revised proposal was confirmed as a trial given the new technology that was proposed and so that actual data could be collected to enable better informed decisions around parking in the future.
99. Free parking was also noted as being a short-term policy to enable better utilisation of the Central City parking stock and that at some point in time if saturation levels for on street parking were reached, Council may need to assess price to manage optimum utilisation. Council adopted 85% utilisation as being the appropriate target.
100. The technology was implemented on 1 October 2017 as planned but the user acceptance testing phase of the project has taken longer than expected largely due to the revisions made to the original proposal and the need to develop the technology to undertake functionality that was not previously tried and tested. There was also an issue with a change to the main communication network in the City (not directly related to the parking project) which required some unplanned interventions.
101. These issues have now been largely resolved and the user acceptance testing has been largely completed. The 1300 sensors installed are now delivering reliable data and staff can see a picture of the parking demand and capacity in the central city on a 24/7 basis. Enforcement is being carried out using the new technology.
102. Successfully capturing data on vehicles using up their free 2 hour time limits at multiple locations is an outstanding issue that the technology team is working on and an update will be available at the next TaskForce meeting.

103. Anecdotal evidence is that the change to parking has been well received by a lot of stakeholders and the TaskForce believe that the goal to revitalise the central city is being advanced.
104. Staff are looking to collect stakeholder views to sit alongside information from the data being collected to better inform Committee at its next meeting on this issue. There will be some key insights around the adopted 85% utilisation factor as well as a framework to more broadly consider central city vitality.
105. The TaskForce decided that with the user acceptance delays pushing into the Christmas period, and with February 2018 being the first “normal” month, that it would be more useful to report to the next Growth and Infrastructure Committee meeting with the benefit of March 2018 data.
106. There are several issues, some unexpected, that are arising including resourcing issues to achieve validation and various parking behaviour that will be discussed further at the next Committee meeting. An analysis of the performance of the Garden Place car park and recommendations to consider parking fees will also be provided.

Waste Taskforce (GM City Infrastructure)

107. The Waste Taskforce purpose is to make recommendations on the rubbish and recycling for the city by considering and providing guidance on the following projects (split into three phases):
- Phase 1 – Housing review and Waste Management and Minimisation Plan (completion April 2018)
 - Phase 2 – New contract methodology and Solid Waste Bylaw (completion February 2019)
 - Phase 3 – Service roll out communications (completion November 2020)
108. Phase 1 of the Waste Taskforce is progressing on time:
- The Waste Management and Minimisation Plan (Waste Plan) consultation closed on 19 November 2017. Findings were presented to the Taskforce on 12 February 2018. Hearings are being held on 1 March 2018 and then the final Waste Plan will be presented at the 19 April 2018 Council meeting for adoption.
 - Phase 1 of the housing review identified the types of housing that have any or multiple of the following:
 - restricted access for the rubbish and recycling trucks;
 - limited space on the kerbside for the presentation of the rubbish and recycling bins,
 - limited on site storage space for the rubbish and recycling bins.
- Once a final decision has been made on the level of service through the 2018-28 10 Year Plan the housing review will be updated.
109. Phase 2 of the Waste Taskforce has commenced:
- Contract negotiations for the new rubbish and recycling service are well advanced with the preferred service provider. There is a separate report to this meeting on this issue.
 - The review of the Solid Waste Bylaw will commence in March 2018. The Waikato and Bay of Plenty Waste Liaison group collectively contracted Eunomia Consulting to develop a template Solid Waste Bylaw for all councils to use as a starting point. This will enable greater consistency across the regions. The template will form part of the review of the 2012 Solid Waste Bylaw.

Financial Considerations

110. There are no financial implications in relation to the information provided in this report.

Legal and Policy Considerations

111. Not applicable. This report is for information purposes only.

Cultural Considerations

112. Not applicable. This report is for information purposes only.

Sustainability Considerations

113. Not applicable. This report is for information purposes only.

Risks

114. There are no known risks associated with this matter.

Significance & Engagement Policy

Significance

115. Not applicable. This report is for information purposes only.

Engagement

116. Not applicable. This report is for information purposes only.

Attachments

Attachment 1 - Hamilton's Housing Market and Economy

Attachment 2 - Hamilton's Business Economy

Attachment 3 - Hamilton Central Business Association - Annual Report 2017

Attachment 4 - Thomas Road / Gordonton Road Roundabout Option

Attachment 5 - Thomas Road / Gordonton Road Signals Option

Attachment 6 - Government Transport Priorities

Attachment 7 - Mayoral Letter to Minister of Transport-16 November 2017

Attachment 8 - Minister of Transport Response- 31 January 2018

Attachment 9 - Interim Rail Proposal

Hamilton's Business Economy Growth Indicator Report

February 2018



hamiltoninvest.co.nz

 **Hamilton City Council**
Te kaunihera o Kirikiriroa

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7. Unemployment



DISCLAIMER

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Introduction

This report presents the latest summary information about Hamilton's commercial and industrial economy including consenting and development activity. It primarily uses Hamilton City Council (HCC) data and provides analysis of recent and historical trends.

Key Findings

- Hamilton's economy grew by 2.8 per cent in the year to September 2017, according to Infometrics' provisional estimate of GDP. During the same period last year growth was 3 per cent.
- New commercial and industrial building consents processed in 2017 were higher than in 2016, in both value and floor space.
- The total value of commercial consents in 2017 was \$144m. This is significantly higher than any full year value in modern history. Compared to the 2016 calendar year, the total value of the new commercial building consents has increased by \$81m or 128 per cent. The most significant increase was in healthcare, which totalled \$50m for the year.
- Traffic flows in Hamilton climbed 3.6 per cent in 2016 compared to 2015 based on internal average daily traffic flow data.
- Retail spend in Hamilton has been steadily increasing year on year, from a total of \$1.3b in 2009 to \$1.7b in 2016. Sales grew 2 per cent for the first six months of 2017 compared to the same period in 2016.
- Spending in the central city has decreased in terms of city market share from 44 per cent to 35 per cent since 2009. Overall the dollars spent increased from \$559k to \$616k (up 10 per cent). Also, for the first six months of 2016, the CBD has gained one per cent of the market share while the sub-regional centres decreased by two per cent.
- Sub-regional centres, which include Chartwell Shopping Centre and The Base, have shown strong retail growth with a five per cent increase in market share and a 67 per cent increase in dollars spent there since 2009.
- Vehicle registrations in Hamilton increased by 10 per cent, ahead of the national increase of 9 per cent for the year ended September.
- Infometrics' Regional Economic Profile shows 2006 jobs were created in Hamilton in the year to June 2016, while a further 464 and 928 jobs were created in Waipa and Waikato districts. This represents a significant improvement – employee numbers in Hamilton were flat from 2009 to 2014, showing little or no growth.
- Hamilton's unemployment rate has dropped slightly from 6.1 per cent in September 2016 to 5.7 per cent as at September 2017, but remains above the national average (4.9 per cent). Youthful populations such as in Hamilton typically have higher unemployment. Jobseeker support recipients are up 1.6 per cent compared to the national increase of 0.6 per cent.

Key Facts

Population Estimate (as at June 2017)

165,400

City Area

11,093ha

Number of employees (as at 30 June 2016)

87,640

Number of businesses (as at 30 June 2016)

14,424

Retail sales (year to June 2016)

\$1.7B

Commercial and industrial building consents granted (2017)

\$195M

GDP (as at September 2017)

\$7.8B

Total Industrial Zoned Area

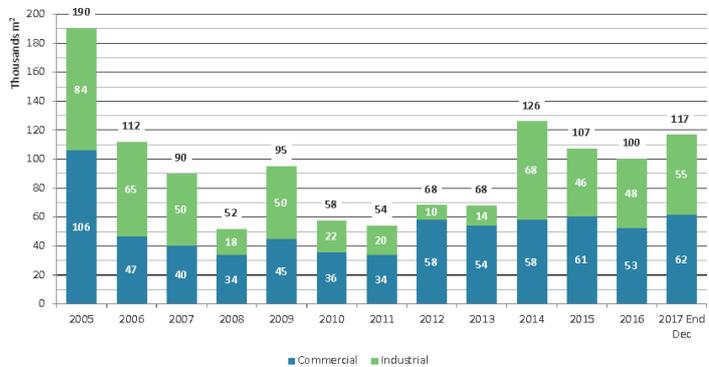
1635ha

SOURCE: STATISTICS NEW ZEALAND MOST RECENT ANNUAL ESTIMATES BASED ON HOUSEHOLD SURVEY RESULTS AND THE 2013 CENSUS AND INFOMETRICS. HCC DATA, PARTLY OPERATIVE DISTRICT PLAN 2016. MARKETVIEW AND PAYMARK.

New Commercial and Industrial Building Consents

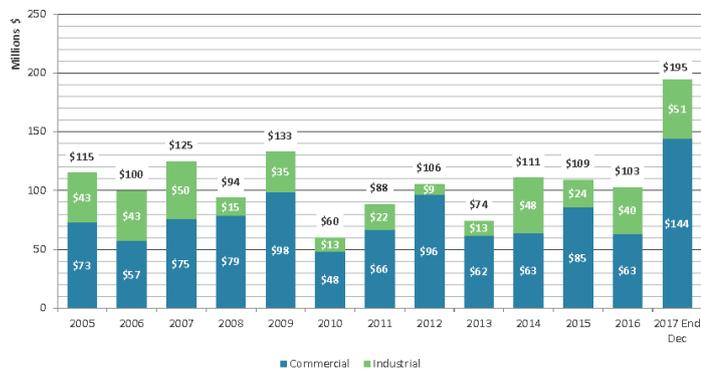
New commercial and industrial development in Hamilton for 2017 included 117,000 square metres of floor space with a total value of \$195m. Of this total, industrial development accounted for 55,000 square metres and \$51m, and commercial development of 62,000 square metres and \$144m. Overall for the 12 months to December 2017, this equates to \$1735 per square metre for commercial spaces and \$927 per square metre for industrial spaces.

New Building Consent Floor Area (m²) – Commercial & Industrial 2005 to Dec 2017



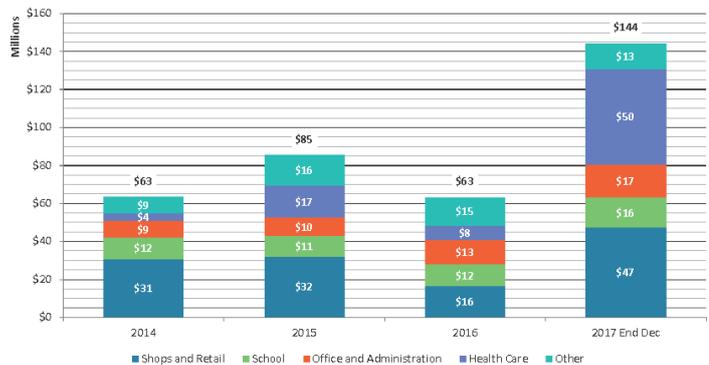
The 117,000 square metres of commercial and industrial floor area consented in 2017 aligns with the volume of floor area consented over the last four years (averaging 112,500 square meters). The previous four years averaged 62,000 square metres per year.

New Building Consent Value Granted (\$m) – Commercial & Industrial 2005 to Dec 2017



The total value of commercial consents was \$144m, significantly higher than any other full year value of the previous 12 years. Compared to the 2016 calendar year, the total value of the commercial building consent has increased by \$81m or 128 per cent. The total value of industrial consents (\$51m) was also the highest recorded.

New Commercial Building Value (\$m) – by Building Type 2014 to Dec 2017



The most significant increase was in healthcare at \$50m. Schools remain steady at \$16m, and office and administration also remain steady at \$17m.

During the last four years, shops and retail were the largest category of new commercial building type with almost \$126m in consents granted in total. Healthcare were the next biggest category with \$79m in new public or private facilities consented over the same four year period to support the continued population growth in the city.

School consents valued at \$51m were the next largest category. Other consents, worth \$53m, are comprised of new hospices/retirement homes, supermarkets, food and beverage, pre-schools and health facilities.

SOURCE: HAMILTON CITY COUNCIL



The total value of commercial consents (which includes retail) for the 12 months to December 2017 was \$190m, represented by \$46m in alterations and \$144m in new constructions. This is the highest result since 2010. Alterations and additions are additional value added to existing spaces.

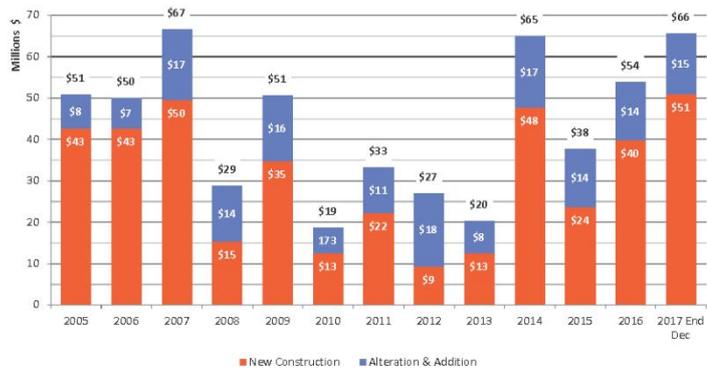
New construction represents new capacity. From 2005 to 2010 the average annual value of commercial consents across new construction and alterations and additions was \$151m, with a peak in 2010 of \$221m. This compares to a less volatile period from 2011 to 2016 where the annual average was \$125m.

Industrial consents were mostly comprised of new construction in the 12 months to December 2017, adding \$66m of capacity to Hamilton’s existing industrial facilities. There were \$15m in alterations and additions in the same period. Industrial new construction value historically represented a higher proportion than alterations and additions compared to commercial development.

Commercial (\$m) – New Construction vs Alteration & Addition 2005 to Dec 2017



Industrial (\$m) – New Construction vs Alteration & Addition 2005 to Dec 2017



SOURCE: HAMILTON CITY COUNCIL

Retail spend

Retail spend data is available bi-annually and is due to be updated in the subsequent report. In the six months to June 2017, food and liquor sales of \$336m was easily the largest contributor to total retail spend in Hamilton, making up 40 per cent total sales and represented by 396 businesses.

This approximates to one outlet for every 405 people in the city. 'Other retail' is comprised of businesses including hairdressers, drycleaners, repair shops, jewellery, garden supplies and news agents. This was the second largest spend category accounting for \$131m or 16 per cent. The number of businesses (368) that fall in this category is high compared to other categories.

'Furniture and appliances' contributed \$126m or 15 per cent, but represented by only 59 businesses reflecting the typically large floor area required for these stores.

'Other businesses' (\$81m and 169 businesses) captures a variety of service related businesses such as medical and dental practices, post shops, lotto, casinos and gyms. 'Hardware and Homeware' accounted for \$46m but was represented by only 41 businesses, being typically large floor area stores.

In the six months to June 2017, 53 per cent of all retail spend came from Hamilton residents, with 27 per cent from the greater Waikato and 20 per cent from outside of the Waikato (which includes the rest of NZ and overseas). Spending from outside the Waikato has increased by 64 per cent between 2014 and 2016.

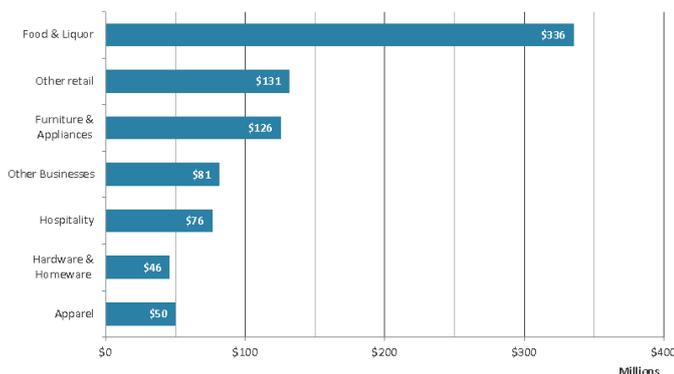
The largest retail spend came from consumers residing in the north of Hamilton who spent \$151m (18 per cent). In comparison, the southern area of the city accounted for \$100m (12 per cent) in spending. This is at least partly because there is a concentration of retail outlets in the northern areas of the city. The CBD is the lowest at 3 per cent reflecting that there are comparatively fewer residents that live in the CBD.

Note on data: Retail spend data was sourced from Marketview and is compiled from EFTPOS data, supplemented by transactional banking data. It is estimated that the Marketview data encompasses 75 per cent of EFTPOS data and 20 per cent of all

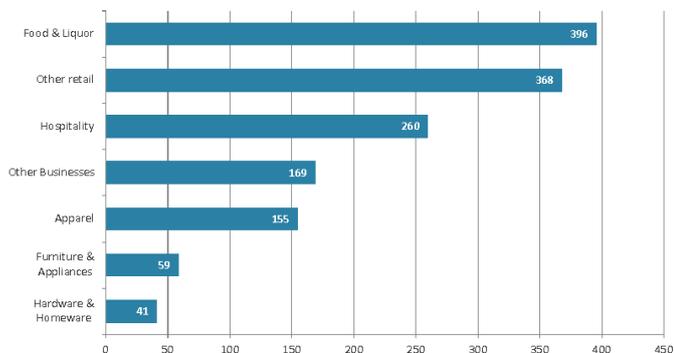
retail bank transactions. In addition to transaction data, retail bank transactional data provides locational information about account holders. Card transactions account for about 70 per cent of total sales. Cash and hire purchase transactions are not included in the data.

The combination of these data sets provides a statistically significant representation of all retail transactions in Hamilton.

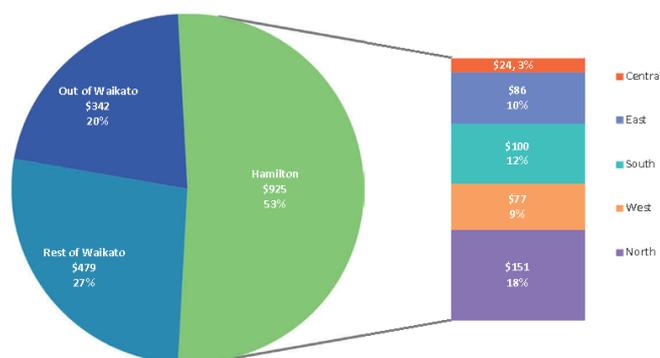
Hamilton Electronic Spending (\$m) by Product & Service Activity Jan to Jun 2017



Number of Hamilton Retail Business by Product & Service as at 2017



Hamilton Electronic Spending (\$m) by Home Address Calendar Jan to Jun 2017



SOURCE: MARKETVIEW AND PAYMARK

District Plan Zones explained

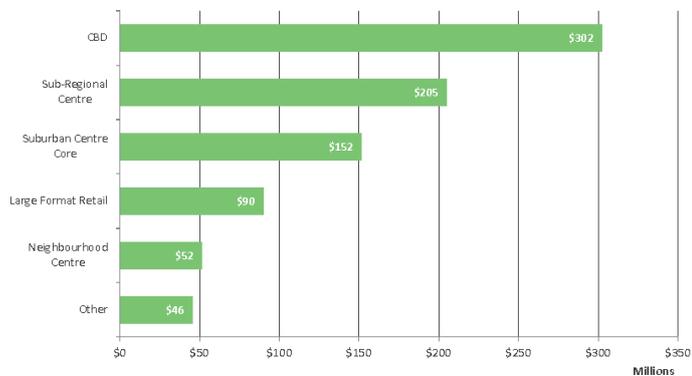
The district plan sets out a business centre hierarchy that defines the business zones across Hamilton. The CBD is the dominant commercial, civic and social centre for the city and region and provides for the majority of the city’s workforce. Refer to the map on the inside back cover for a high-level view of these zones.

The Base and Chartwell Shopping Centre are identified as being two sub-regional centres. They are principally retail centres, but with limited office, community and other services.

The city’s residential neighbourhoods are served by numerous existing suburban centres, being medium sized shopping centres also supporting community services and facilities. Further centres are proposed as part of planned residential expansion in the Rotokauri, Rototuna, and Peacocke Structure Plan areas. Neighbourhood centres are distributed throughout residential suburbs. These centres provide a more limited range of ‘everyday’ goods and services for the immediate residential neighbourhoods.

Large format retail are zones that allow for moderate to low intensity commercial usage and large format retail (eg Big Save Furniture and Repco). The other category in the pie chart comprises smaller commercial event facility fringe areas which include places like the Frankton commercial area. The majority of retail spend is concentrated in the CBD and the sub regional centres. Retail spend in Hamilton has been steadily increasing year on year, from a total of \$1.3b in 2009 to \$1.7b in 2016. For the first half of 2017, the retail spend reached \$846m.

Hamilton Electronic Spending (\$m) by District Plan Zone Jan to Jun 2017

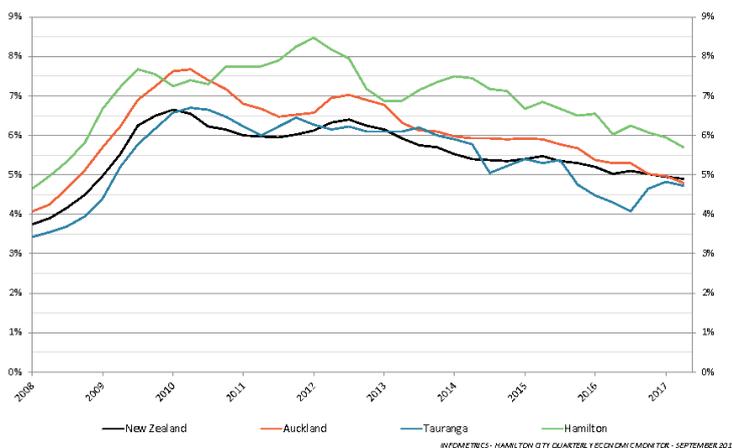


Unemployment

Hamilton’s unemployment rate has dropped slightly from 6.1 per cent in September 2016 to 5.7 per cent as at September 2017, but remains above the national average (4.9 per cent). Youthful populations such as in Hamilton typically have higher unemployment. Jobseeker support recipients are up 1.6 per cent compared to the national increase of 0.6 per cent.

Hamilton’s unemployment rate remains higher than NZ, Auckland and Tauranga. Overall, it has been trending downwards from its peak in 2012 at 8.5 per cent.

Hamilton unemployment rate - rolling 12-month average to September 2017



Further information

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Hamilton's Housing Market and Economy Growth Indicator Report

February 2018



hamiltoninvest.co.nz

 **Hamilton City Council**
Te kaunihera o Kirikiriroa

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Introduction

This report presents the latest summary information about Hamilton's residential development and housing market. It uses Hamilton City Council (HCC) data and provides analysis of recent and historical trends in Hamilton's residential consenting and development activity, and in the wider housing market.

Key findings

- Over the last few years, Hamilton has experienced its strongest residential housing boom since the financial crisis in 2008 in both house sales prices and number of new dwellings consented.
- 1131 new dwellings were approved through 698 consents in the 2017 calendar year. This compares to 1198 dwellings in 2016, representing a small decrease of 67 dwellings or 5.5 per cent. The higher dwelling-to-consent ratio in 2017 reflects more new infill housing compared to last year.
- Most new dwellings approved this year were flats, units and townhouses (548), followed by houses (509) and apartments (74). In 2017, high-density dwellings consented increased 69 per cent compared to 2016 (from 325 to 548).
- While many of the indicators remain strong, there is some evidence of a slowdown emerging. In 2017, a total of 918 residential freehold sections and 309 units were titled. This indicates a small decrease of 1 per cent in the total annual number compared with 2016.
- Consents have increased, especially land use and subdivision consents. This activity is strongly connected to the current housing market, reflected in high levels of infill development in the city.
- The average house value in Hamilton increased by 1.6 per cent in 2017. The value increase for the same period was 3.2 per cent for Tauranga, 0.4 per cent for Auckland area and 6.6 per cent for all of New Zealand.
- The average house value in Hamilton as at the end of 2017 was \$543,000; compared to Tauranga \$694,000 and Auckland \$1.052m.
- Housing affordability in Hamilton has deteriorated with the rise in house prices, however it is still more affordable compared to other North Island cities like Auckland and Tauranga.
- Hamilton's net migration numbers have been steadily increasing since 2014. The main driver for this is the high number of people arriving on work visas. This trend has contributed to the increased demand for housing in Hamilton and across NZ main centres.

Key Facts

Population Estimate (as at June 2017)

165,400

City Area

11,093ha

Number of employees (as at 30 June 2016)

87,640

Number of businesses (as at 30 June 2016)

14,424

Dwellings Consented

1131

GDP (year to September 2017)

\$7.8b

Average house value (as at December 2017)

\$543,000

SOURCE: STATISTICS NEW ZEALAND MOST RECENT ANNUAL ESTIMATES BASED ON HOUSEHOLD SURVEY RESULTS AND THE 2013 CENSUS AND INFOMETRICS. QV RESIDENTIAL HOUSE VALUES.

New Residential Building Consents

In 2017, 1131 dwellings valued at \$275m were approved for construction in Hamilton. This includes houses, apartments, townhouses and units.

These were processed within 698 consents- some consents contain more than one dwelling. This represents a decrease of 5.6 per cent in number of dwellings compared to 2016.

The total number of new residential dwellings granted continues its strong trend despite anecdotal evidence of a slowdown in the housing market. Consents reached 10-year highs in 2015 and 2016 with 1179 and 1198 dwellings consented respectively.

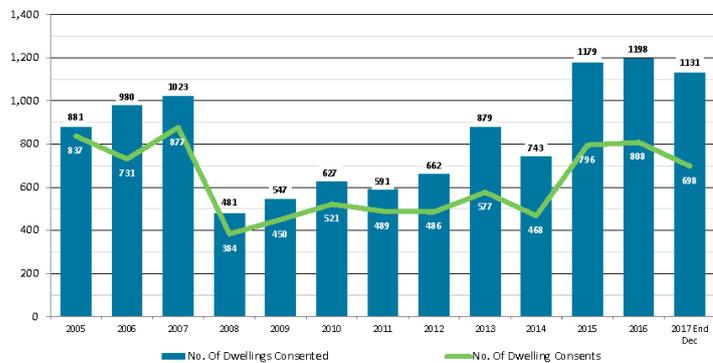
Building consents issued for new dwellings resulted in the construction of a total floor area of 164,391 square meters in 2017, a decrease of 17 per cent from 2016. This is due to the high number of high density dwellings (622) consented in the year, normally the attached dwellings (townhouses, flats, and units) have smaller floor area than stand-alone houses.

The increasing trend of high density dwellings flattened in 2016 however it reached historical high in the calendar year 2017 with an increase of 64 per cent compared to the calendar year 2016.

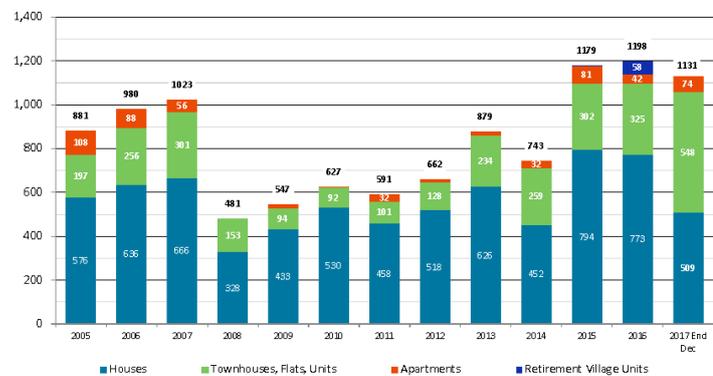
The 12-month rolling average graph of monthly new dwelling consents shows an increase to around 70 consents per month from mid-2015 onwards. This compares to a longer run average between 2012 and 2015 of 40 to 50 consents. The 2017 calendar year showed less consenting. The twelve-month rolling average consent numbers trended down to 60 per month in December. The increasing number of multi-dwelling consents are driving this trend.

A rolling average is used to remove some of the highs, lows and seasonality of monthly data and enable better trend analysis. There is a trough in the number of consents around the January holiday period. This year to date shows a slightly lower average consent trend. The shortage of skilled workers, access to lending, increased land prices and the Reserve Bank's loan to value ratio (LVR) rules are factors that may be stopping the consent volume from increasing further.

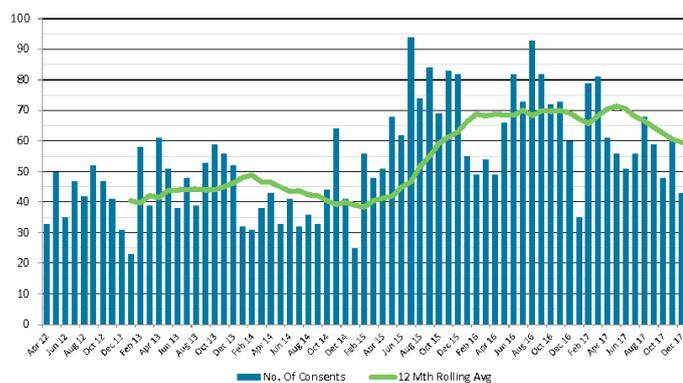
New Residential Dwellings Consented 2005 to Dec 2017



New Residential Dwellings Consented by Building Type 2005 to Dec 2017



No. of New Residential Dwelling Consents Granted to Dec 2017



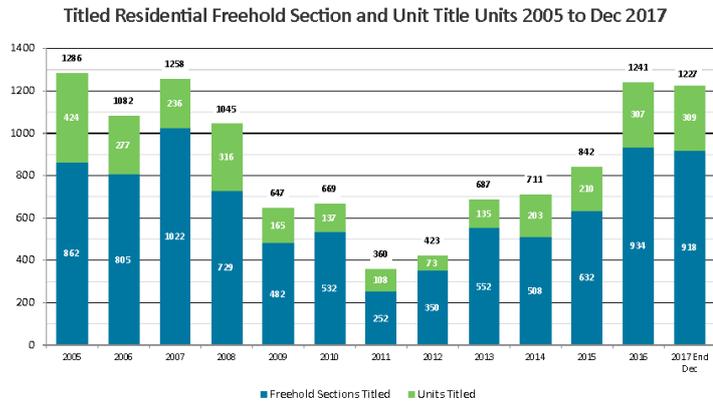
SOURCE: HAMILTON CITY COUNCIL

New Residential Sections and Unit Titles (224C)

Building consents are the most common way to track new housing development, but there are other important growth indicators too.

A separate title (referred to as a section 224c certificate) will usually be obtained before building work is completed. In conjunction with the consent data presented, the graphs on this page help describe this “development cycle”. Time lags prevent direct comparisons between building consents, title, and CCC for any given year. Weather plays a large role in land development. This last winter has been one of the wettest in recent history. All but one month between February and November last year had more rainfall than the historic monthly average.

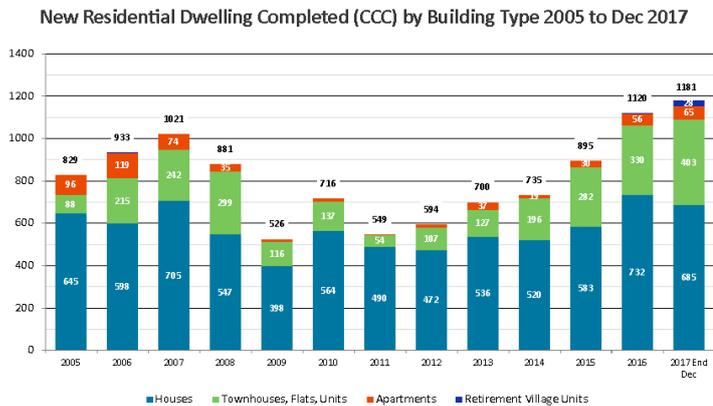
In 2017 a total of 918 residential freehold sections and 309 units were titled. This total is marginally lower than the 2016 total. The current levels of titling are close to historic highs seen prior to Global Financial Crisis (GFC).



New Completed Dwellings (CCC)

A total of 1181 new residential dwellings received Code Compliance Certificates (CCC) in 2017, which is the highest since 2004. This represents an increase of 5.4 per cent compared to 2016 and an increase of 32 per cent compared to 2015.

The lag time between the granting of building consent and receiving a CCC typically varies from five to 24 months. Currently it takes approximately 12 months on average to complete a residential dwelling from the granting of building consent.



SOURCE: HAMILTON CITY COUNCIL

Resource Consents By Type

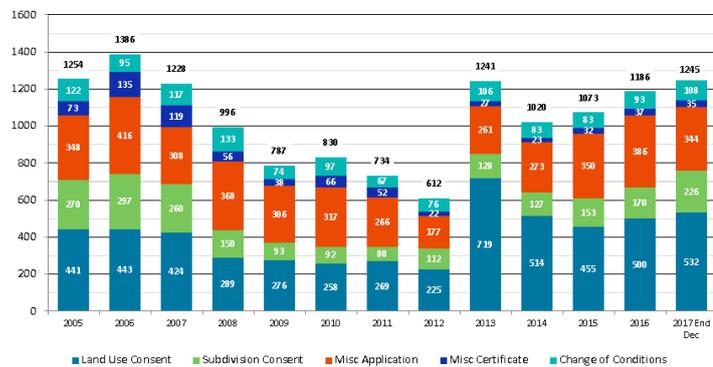
The total number of resource consent applications to HCC in 2017 increased 5 per cent compared to 2016.

The increase in volume is mainly from Land Use Consents and Subdivision Consents. The number of Land Use Consents increased by 6.4 per cent and Subdivision Consents increased by 33 per cent from 2016.

Increased resource consent activity from 2013 to present is strongly related to infill development. From 2013 onward infill development was between 49 per cent to 60 per cent of total development. While, during the three years prior, infill only accounted for one third of total development. Also during this time, the new district plan became notified and subsequently operative, enabling new infill development to occur.

Some caution should be taken in comparing consent totals- while miscellaneous applications may be high in number, they are unlikely to represent growth and development in the way land use and subdivision consents do.

Resource Consent Application Processed by Application Type 2005 to Dec 2017



SOURCE: HAMILTON CITY COUNCIL

Housing Market

The average house value in Hamilton has increased 1.6 per cent in 2017. The previous two calendar years both had increases of 20 per cent.

The value increase for the same period was 3.2 per cent for Tauranga, 0.4 per cent for Auckland area and 6.6 per cent for all of NZ. Average house values are lower in Hamilton compared with Tauranga, Auckland and NZ.

The slowdown of residential building work post GFC coupled with strong population growth had tightened supply. Lowering interest rates had enabled buyers to service more debt facilitating increased house prices. While the demand pressure from growing population remains; residential building has bounced strongly back from its post GFC low and interest rates have remained stable.

The reserve bank implementation of the current LVRs (announced in July 2016 given effect to in September 2016) coincides with the reduced volume of dwellings sold in Hamilton. The first full year after the LVRs were introduced saw house sales (12 month rolling average) fall by one third from their peak midway through 2016.

Whether the easing of the LVRs by the Reserve Bank (beginning in January 2018) will affect house sales and/or prices remains to be seen. The acting governor of the Reserve Bank, Grant Spencer, said the changes are unlikely to add heat to the housing market. As this easing of the LVR restrictions is only minor, any affect will be at the margin. Any further easing of the LVRs may have a more significant impact.

Average current house value



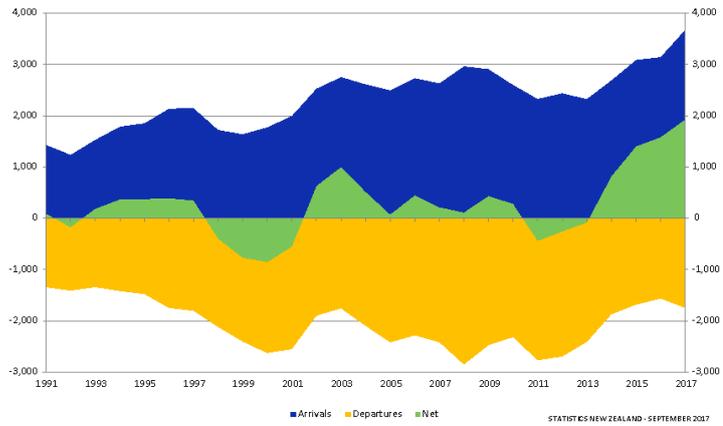
GV - RESIDENTIAL HOUSE VALUES - DECEMBER 2017

Migration and Population

Hamilton’s net migration numbers have been positive and increasing since 2014. The city had a net increase of around 1500 people in the year to September 2016, and this increased to about 1900 in the year to September 2017. This is consistent with the overall trend of more people arriving in NZ. The biggest driver of growth in net migration during the past year was the continued increase in people arriving on work visas. Migrants arriving on work visas continue to increase while student visas have been declining. Lower numbers of New Zealanders leaving the country have also exacerbated net migration levels.

Migration is difficult to track accurately. This data is derived from international visitor arrival cards only- data on inter-regional migration is even more difficult to source.

Hamilton International Migration (Annual to September 2017)



Population estimates

Hamilton population, at 30 June 2017, is estimated by Statistics New Zealand to be 165,400. This is an increase of 4200 people (or 2.6 per cent) since 2016. This population growth was split into natural increase of 1500 and net migration of 2700. Net international migration for the year to June 2017 accounted for 2000 of the 4200 new Hamiltonians that year.

Hamilton City Population Increase Per Year - NIDEA v Statistics NZ



SOURCE: RATING VALUATION SERVICE

Population and household projections

HCC uses the NIDEA Low projections for population and households. Over the next 10 years, NIDEA Low projects Hamilton will grow by approximately 2100 people and 1250 households every year.

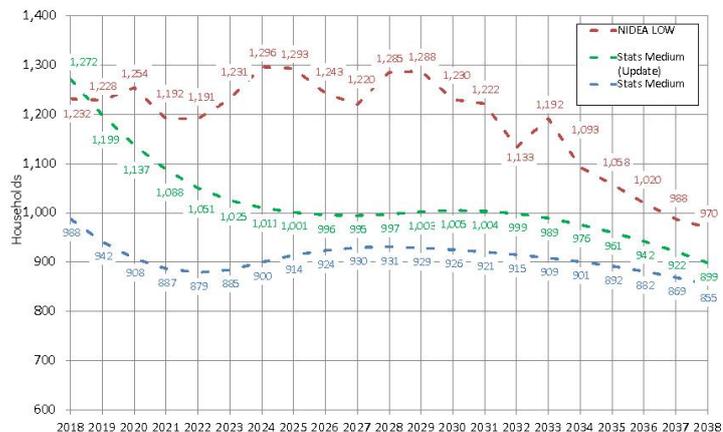
Household projections are used to inform infrastructure planning decisions. Household projections are based on population projections but assumptions driving household formation (the average household size) can vary significantly between projection series.

Population and household projections come with significant limitations. Projection series do not factor in external influences such as changing political landscapes. The underlying assumptions which drive the projections do not account for Government policy stance.

Statistics New Zealand has lifted their migration projections based on the current high migration Hamilton is experiencing. Any policy change affecting migration will not be included in the forecasts until after its effects have been observed. Because of difficulties in predicting economic cycles, these are largely not built into growth projections.

NIDEA projects household growth of more than 1200 dwellings on average per year over the next 10 years. Statistics New Zealand also produces household projections. Late last year they released an update on their previous household projections. The updated projection series increased significantly, especially from 2013 to 2023, compared to their last revision. Their projections now show household growth comparable to NIDEA over the next couple of years, before household growth slows in the medium to long term. The recent update to the medium series while significantly higher than the prior projection is still lower than NIDEA from 2019 onward. This reflects how different providers, assumptions and updated information can lead to significant variations between projection series.

Hamilton City Household Annual Projections – NIDEA v Statistics NZ



Residential sale price by dwelling age

This section looks at housing sale price by age to provide some insight into housing affordability with regard to older houses compared with newer builds.

Median sale price	Pre 2010	Post 2010	Total
House	\$545,000	\$727,500	\$572,500
Apartment, Flat and Unit	\$395,000	\$447,000	\$400,000
Total	\$495,000	\$678,500	\$511,000

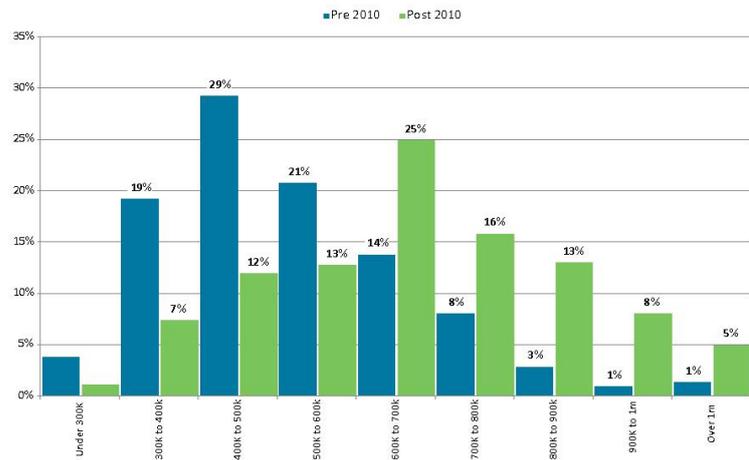
To delineate between the house price of new and old dwellings HCC have set up two age categories for houses. Dwellings built after 2010 (post 2010) are classified as new dwellings. HCC used post 2010 dwelling sales due to data limitations. These include difficulty to capture sales prices of house and land packages, statistically significant set of data points and because of the data set's structure.

The median sale price for post 2010 houses was 33 per cent more than those built pre 2010, whereas for flats, units and apartments this was 13 per cent.

The property transaction is being captured by local councils once a compulsory Notification of Sale is received from the vendor's solicitor. The dataset includes all sales for the year to August 2017.

The following analysis is based on the sale date which is the date that the Sales and Purchase Agreement is signed by both the vendor and purchaser. The data is only captured after the settlement of the transaction, which can often be a month or more after the sale agreement date. Therefore, for the purpose of showing a fairly complete picture, the report has allowed a two month lag time before reporting on any figure.

Residential Sale Price Distribution Pre 2010 vs Post 2010



Further information

Economic Growth and Planning Unit
Hamilton City Council
Private Bag 3010, Hamilton
Phone: 07 838 6699
Email: investment@hcc.govt.nz

 /hamiltoncitycouncil
 @CouncilHamilton



**Hamilton Central Business
Association Incorporated**

Annual Report

For the Year Ended 30 June 2017

Hamilton Central Business Association Incorporated

Contents of Financial Statements

For the Year Ended 30 June 2017

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Hamilton Central Business Association Incorporated

Directory

As at 30 June 2017

Nature of Business	Hamilton City Heart Business Development and Promotion
Address	341 Victoria Street HAMILTON 3240
Date Incorporated	24 November 2008
Accountants	Staples Rodway Waikato LP Chartered Accountants Level 4 BNZ Building, 354 Victoria Street Hamilton
Auditor	Staples Rodway Audit Limited Hamilton
Bankers	ASB Hamilton
IRD Number	104-245-730

INDEPENDENT AUDITOR'S REPORT

To the Members of Hamilton Central Business Association Incorporated

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hamilton Central Business Association Incorporated (the Society) on pages 5 to 11, which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance and statement of movements in general funds for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 30 June 2017, and its financial performance for the year then ended in accordance with the accounting policies set out in Note 1 to the financial statements.

Our report is made solely to the Members of Hamilton Central Business Association Incorporated. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hamilton Central Business Association Incorporated and the Members of Hamilton Central Business Association Incorporated, for our audit work, for this report or for the opinions we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor, our firm carries out other assignments for Hamilton Central Business Association Incorporated in the area of financial statements compilation services. The provision of these other services has not impaired our independence.

Responsibilities of the Executive Committee for the Financial Statements

The Executive Committee is responsible on behalf of the Society for the preparation and fair presentation of the financial statements in accordance with the accounting policies outlined in Note 1 of the financial statements, and for such internal control as the Executive Committee determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Committee is responsible on behalf of the Society for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>



STAPLES RODWAY AUDIT LIMITED
Hamilton, New Zealand
16 October 2017

Hamilton Central Business Association Incorporated

Statement of Financial Performance

For the Year Ended 30 June 2017

Note	2017	2016
	\$	\$
Operating Revenue		
Grants - SP - Safe Zone	9,248	27,608
Rates from Members	286,524	280,000
Business Awards	1,230	5,874
Gross Surplus	<u>297,002</u>	<u>313,482</u>
Less Expenses		
Total Expenses as per Schedule	330,893	298,887
Operating (Deficit) Surplus before Other Income	<u>(33,891)</u>	<u>14,595</u>
Other Income		
Interest Received	202	1,090
Interest Received - IRD Use of Money	-	1
Other Income	2,668	3,032
Special Projects	3,300	4,957
SP - Neat Places	24,323	-
Total Other Income	<u>30,493</u>	<u>9,080</u>
Net (Deficit) / Surplus	<u>(3,398)</u>	<u>23,675</u>



Hamilton Central Business Association Incorporated

Schedule of Expenses

For the Year Ended 30 June 2017

	2017	2016
	\$	\$
Schedule of Expenses		
Accountancy Fees	35	1,000
Accountancy Fee Accrual Expense	3,000	3,000
ACC Levies	155	183
Advertising	11,253	10,459
Audit Fee	3,415	3,450
Bank Fees and Charges	48	59
Computer Expenses	664	634
Contractors Fees	4,000	104
Depreciation	2,734	4,060
Electricity and Gas	1,498	1,089
Fixed Asset Write Off	-	556
General Expenses	94	261
Insurance	1,859	467
Marketing	6,034	3,161
AGM	795	1,034
Meeting Costs	3,167	2,124
Office Expenses	3,267	334
Postage	123	-
Printing and Stationery	1,823	1,956
Rates	329	1,476
Rent	17,914	14,777
Seminars and Conferences	1,148	-
Special Projects 2016	1,637	2,190
SP - Building Revival	1,000	826
SP - Garden Place	1,391	3,217
SP - Member Workshops and Events	26	809
SP - All Blacks Event in Garden Place	348	-
SP - Monthly Competitions	-	87
SP - Christmas Activities and Summer in Garden Place	1,826	-
SP - Sporting Events	-	304
SP - Business Awards	17,869	16,482
SP - New Business Book	-	814
SP - City Safe	83	-
SP - Embassy Park	189	-
SP - Safe Zone	7,917	24,767
SP - Neat Places	29,000	-
Sponsorship	11,000	15,181
Staff Expenses	506	64
Staff Training and Welfare	1,655	149
Subscriptions	1,674	1,617
Telephone and Tolls	3,606	2,123
Travelling Expenses	393	213
Wages	144,338	62,058
Wages - Consulting	38,132	113,597
Website Maintenance	4,948	4,206
Total Expenses	330,893	298,887



Hamilton Central Business Association Incorporated

Statement of Movements in General Funds

For the Year Ended 30 June 2017

	2017	2016
	\$	\$
Revenues and Expenses		
Net (Loss) / Profit	(3,398)	23,675
Total Recognised Revenues and Expenses	<u>(3,398)</u>	<u>23,675</u>
General Funds at the Beginning of the Year	60,996	37,321
General Funds at the End of the Year	<u><u>57,598</u></u>	<u><u>60,996</u></u>

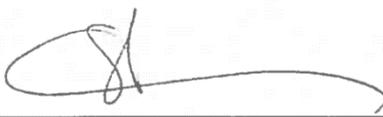


Hamilton Central Business Association Incorporated

Statement of Financial Position

As at 30 June 2017

	Note	2017	2016
		\$	\$
Current Assets			
ASB Society Cheque Account		7,320	23,585
ASB Business Saver Account		60,422	48,219
ASB Omni Cheque		4,703	3,268
Trade Debtors		283	784
GST Receivable		732	6,585
Total Current Assets		73,460	82,441
Non-Current Assets			
Property, Plant & Equipment	3	4,867	6,291
Total Assets		78,327	88,732
Current Liabilities			
Sundry Creditors		6,406	4,766
Trade Creditors		14,323	22,970
Total Liabilities		20,729	27,736
Net Assets		57,598	60,996
General Funds			
Capital		57,598	60,996
Total General Funds		57,598	60,996



 Chairperson

Date 16/10/17



 Executive Committee Member

Date 16/10/17



Hamilton Central Business Association Incorporated

Notes to and forming part of the Financial Statements

For the Year Ended 30 June 2017

1 Statement of Accounting Policies

Reporting Entity

Hamilton Central Business Association Incorporated is an Incorporated Society incorporated under the Incorporated Societies Act 1908. The financial statements of Hamilton Central Business Association Incorporated are special purpose financial statements. The financial statements have been prepared for internal purposes and may not be suitable for any other purpose.

Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with taxation principles contained in the Income Tax Act 2007 and disclosure requirements contained in the Tax Administration (Financial Statements) Order 2014.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a tax value basis are followed by the incorporated society, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Trade Receivables

Trade Receivables are recognised at estimated realisable value.

(b) Property, Plant & Equipment and Investment Property

Property, plant and equipment is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

All other repairs and maintenance are recognised as expenses in the Statement of Financial Performance in the financial period in which they are incurred.

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007.

Gains and losses on disposal of fixed assets are taken into account in determining the net result for the year.

(c) Income Tax

Hamilton Central Business Association Incorporated is entitled to apply the exemption for income under section CW 40 of the Income Tax Act 2007 for Local and Regional Promotional Bodies. The income that Hamilton Central Business Association Incorporated derives is therefore exempt and the society is not required to pay income tax on this income. Accordingly, expenses incurred in deriving this exempt income are not allowed as a deduction.

(d) Goods and Services Taxation (GST)

Revenue and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.



Hamilton Central Business Association Incorporated

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 30 June 2017

(e) Grants and Member Rates

Grants are recognised as revenue on the date received. Member rates are recognised at invoice date.

(f) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

2 Income Tax	2017	2016
	\$	\$
Profit Reconciliation		
Operating (Deficit) Surplus Before Income Tax	(3,398)	23,675
Add Back (Deduct)		
Opening Accounting Fee Accrual	(3,000)	(2,000)
Opening Audit Fee Accrual	(3,000)	(3,000)
Closing Accounting Fee Accrual	3,000	3,000
Closing Audit Fee Accrual	3,000	3,000
Non Deductible Expenses	330,893	297,887
Exempt Income	(327,495)	(322,562)
Taxable Surplus	<u>-</u>	<u>-</u>

3 Property, Plant & Equipment	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Property, Plant & Equipment 2017	\$	\$	\$	\$
Office Equipment	19,210	2,734	14,343	4,867
Total Property, Plant & Equipment	<u>19,210</u>	<u>2,734</u>	<u>14,343</u>	<u>4,867</u>
Property, Plant & Equipment 2016	\$	\$	\$	\$
Office Equipment	17,900	4,060	11,609	6,291
Total Property, Plant & Equipment	<u>17,900</u>	<u>4,060</u>	<u>11,609</u>	<u>6,291</u>

4 Related Parties

The Society had the following related party transactions during the year:

Hamilton City Council - Receipt of Grant income and collection of member's rates totalling \$286,524 (2016 : \$280,000)



Hamilton Central Business Association Incorporated

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 30 June 2017

5 Contingent Liabilities

The incorporated society has no contingent liabilities and no guarantees as at 30 June 2017. (2016: Contingent Liabilities Nil. Guarantees Nil.)

6 Capital and Lease Commitments

The incorporated society has no capital or operating lease commitments as at 30 June 2017, (2016 Nil).

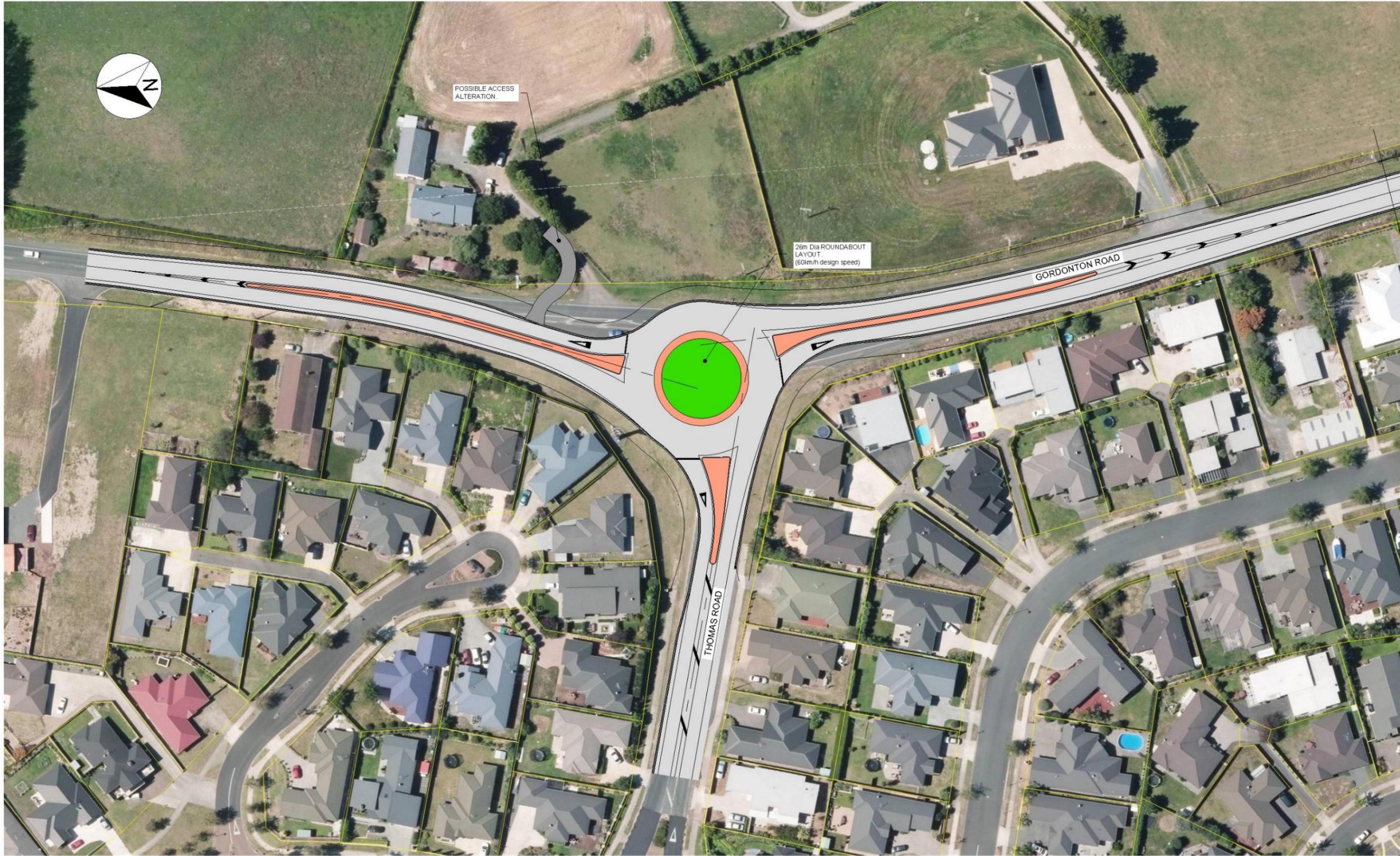


Hamilton Central Business Association Incorporated

Depreciation Schedule

For the Year Ended 30 June 2017

	RATE %	% PYT	Cost	OPEN MO	ADDITIONS	DATE of	SALE	PARTIAL	PROFIT	DISPOSAL	Cost	CAPITAL	DEPN	ACC	PRIVATE	ACCUM	CLOSING	
	TYPE	USE	at HAND	WDV		ADDITION	PRICE	PRICE	(LOSS)	DATE		GAIN/LOSS	DEPN	DEPN	DEPN	PRIVATE	WDV	
Office Equipment																		
MS Office Professional 2007	80,000		258	1	-	27/02/10							1	258				
Printer	48,000		884	1	-	27/02/10							5	678				
AOC 23" Wide LCD Monitor	60,000		248	1	-	27/02/10							1	248				
Office Furniture	16,000		1,881	875	-	09/09/10							108	1,324				567
Zr Laptop May 2012	50,000		3,462	198	-	23/05/12							99	3,363				99
Heat Pump	20,000		3,043	1,532	-	12/09/13							305	1,817				1,208
Fridge	25,000		652	247	-	11/02/13							62	467				185
Laptop	60,000		1,878	549	-	22/09/14							275	1,604				274
Webcam	60,000		5,381	2,924	-	31/09/15							1,462	3,928				1,462
Canon Eos 18-55MM Camera Kit	87,000		393	153	-	27/09/15							101	341				52
Asus Laptop 15.6"	50,000		584		584	18/09/16							267	267				317
Office Desk	13,000		728		728	31/03/17							47	47				679
			13,219	3,291	3,319								2,734	14,343				4,897
TOTAL			13,219	3,291	3,319								2,734	14,343				4,897



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 Issued 7/02/2018



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 1:1000@ A3
 Original Sheet Size A1 [A41-c9-4]

Plot Date: 07 Feb 2018 @ 3:16 PM Path G:\2324000\2499_00 HCC Panels Contrad 1411026 Thomas_Gordonton Intersection\6 Drawings\2-32499.20 SK009 Signal Junction - Islands.dwg SK009

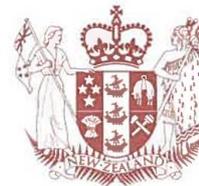
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 Issued 7/02/2018

Hon Phil Twyford

MP for Te Atatu

Minister of Housing and Urban Development

Minister of Transport



20 NOV 2017

Tēnā koutou,

Thank you for your engagement with the Ministry of Transport over the past 18 months to help inform the development of the Government Policy Statement on land transport 2018 (GPS).

I understand that you are currently developing your Regional Land Transport Plans (RLTP), and the direction of the GPS is key to this process. It is a high priority of mine to ensure the GPS is reviewed quickly and reflects this Government's policies so that you have the certainty you need to finalise your RLTPs.

The priorities of this Government, which I have asked Ministry officials to revise the GPS to take account of, include:

- giving public transport greater priority in cities and expanding the public transport system to support new housing and interregional commuting
- increasing the use of rail to enable efficient passenger and freight use
- supporting regional development
- increasing support for active modes – walking and cycling
- delivering health, safety and environmental improvements
- reducing the environmental impact of transport
- mode neutrality in freight transport planning.

Many of these priorities can be reflected within the current GPS framework, and I have asked the Ministry of Transport to work to achieve this as soon as possible.

I am expecting a revised GPS by the end of 2017, and this will be made available as an engagement draft for you all to consider in early 2018.

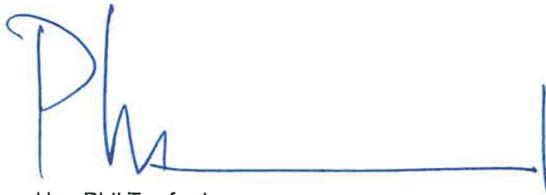
There are some priorities that may require more fundamental changes to the scope of the GPS, and also result in changes to local, regional and national planning processes. For example, exploring how rail investment is incorporated within the GPS and the National Land Transport Fund will be the focus of ongoing work.

The process for any fundamental changes to the scope of the GPS is still to be determined, but won't form part of GPS 2018 that will be released next year.

I am conscious of the need to issue a GPS as soon as practicable, given its importance in influencing transport investment. To help you advance your RLTP development in advance of the GPS 2018 being released, I suggest you consider the areas of Government focus listed above to guide your thinking.

The importance of central and local government collaborating with regards to investment in our transport system cannot be understated and I look forward to working with you as we implement an integrated, multi modal transport system.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Phil Twyford', with a long horizontal line extending to the right.

Hon Phil Twyford
Minister of Transport



Hon Phil Twyford
Freepost Parliament
Private Bag 18 888
Parliament Buildings
Wellington 6160

16 November 2017

Dear Minister

Hamilton to Auckland Passenger Rail Service

Firstly, congratulations on your appointment as Minister of Housing and Urban Development as well as Minister of Transport. With parts of the Waikato being nominated high growth areas we believe your combined government portfolio will lead to positive integrated decision making.

We are writing to you at this early time to request with some urgency clarity around your policy direction for a Hamilton to Auckland passenger rail service, and the potential to extend this to Tauranga.

The urgency of our request is prompted by the timing of our respective 10-Year Plans, and the need to finalise these for public consultation prior to the end of 2017. Council meetings to establish investment for 2018-28 are being held now. It will be difficult for Councillors to make decisions on support for rail investment alongside all of the other competing priorities if there is no clear policy direction from government.

Passenger rail between Auckland and Hamilton has always been a feature of the Waikato Regional Land Transport Plan and the general sentiment has been it's a matter of when, not if. Phenomenal growth in the Hamilton region and north Waikato (Tuakau and Pokeno), combined with the increasing congestion and uncertainty around travel times for commuters on the southern motorway, leads us to believe that a passenger rail service that meets passengers needs will be well-utilised.

The Hamilton to Auckland Connections Working Group consisting of all key stakeholders from both the Auckland and Waikato regions is meeting on 22 November 2017 to specifically discuss this proposal.

We were very encouraged by your election policy on this matter and the indications you gave in your early days of office that a service is likely to be established next year, being 2018. We want to be in a position where we can assist government in fulfilling its regional rail policy.

We thank you for your consideration and look forward to your early response

Yours Sincerely



Andrew King
Mayor
Hamilton City Council



Allan Sanson
Mayor
Waikato District Council



Alan Livingston
Chairperson
Waikato Regional Council

Copy to;

Hon Nanaia Mahuta- MP Hauraki-Waikato
Hon Jamie Strange- MP

Office of Hon Phil Twyford

MP for Te Atatu

Minister of Housing and Urban Development

Minister of Transport



31 JAN 2018

The Mayors and Chair
Hamilton City Council
Waikato District Council
Waikato Regional Council
Private Bag 3010
Hamilton 3240

Dear Mayors and Chair

Thank you for your letter dated 16 November 2017 regarding a passenger rail service between Hamilton and Auckland, and the potential to extend this to Tauranga. I would also like to thank you for the time you took to meet with me on 20 December 2017. I apologise for the time it has taken to respond to your letter.

It is my intention to progress work on a service between Hamilton and Auckland as a matter of priority. I have asked officials for advice on options for passenger networks in the regions, including between Hamilton and Auckland. I note that you are currently working on a business case for the proposed rail service, and will be working with my officials on the key elements it needs to cover.

In addition to this rail service, I am keen to work more closely with you and other key stakeholders in the Waikato region, to advance development of the Auckland-Hamilton corridor as part of a wider regional growth initiative. I intend to invite key stakeholders to meet with me soon to discuss the development potential of this corridor, and you can expect an invitation to this meeting from my office in the near future.

I acknowledge that you are currently finalising your respective ten year plans; however, at this stage I cannot give you a set timeframe for when decisions will be made on passenger rail services. It is important that business cases including robust cost benefit analysis, underpin any decisions.

Thank you again for your letter and I look forward to working with you on options for empowering the Auckland-Hamilton corridor.

Yours sincerely

Hon Phil Twyford
Minister of Transport

Report to Council – Decision required

Date: 24 January 2018

Author: Vincent Kuo, Senior Policy Advisor

Authoriser: Mike Garrett, Chief Financial Officer

Subject: Inclusion of an Interim Hamilton to Auckland Passenger Rail Service in the 2018 -2028 Long Term Plan

Purpose

1. To provide Council with an update on the preliminary funding analysis undertaken in respect to the proposed interim solution for the Hamilton to Auckland passenger rail service; and to seek Council's decision on whether to include the interim passenger rail service in the draft 2018-2028 Waikato Regional Council Long Term Plan for public consultation, as requested by Hamilton City Council.

Executive Summary

2. The Waikato Regional Transport Committee has established a multi-party Hamilton and Auckland Transport Connections Working Group to develop a Strategic Business Case (SBC) on the connections between the two cities. The SBC is expected to be completed in April/May 2018.
3. The new Coalition Government has indicated that establishing an inter-regional passenger rail service is a priority and has pledged a financial contribution. Details and confirmation of the Government policy on a Hamilton to Auckland rail service have been sought and a response is yet to be received from the Minister of Transport.
4. Hamilton City Council has requested that Waikato Regional Council, as the public transport authority for the region, make provision within its 2018-28 Long Term Plan to enable an interim passenger rail service to be implemented should Central Government confirm its policy and funding commitment to the service (refer to Hamilton City Council letter in Attachment 1). Representatives from Hamilton City Council, including His Worship Mayor King, will join the Council meeting to discuss their request.
5. This report sets out the background to the interim passenger rail proposal with financial analysis, including impacts on Hamilton ratepayers and seeks Council's decision on whether to include the project in the 2018-28 Long Term Plan, including rating provision, for public consultation.

Doc # 11675626

Staff Recommendation:

1. That the report "Inclusion of an interim Hamilton to Auckland Passenger Rail Service on the 2018-2028 Long Term Plan" (Doc #11675626, dated 24 January 2018) be received.
2. That Council make a decision on whether to include an interim Hamilton to Auckland Passenger Rail Service in the draft 2018-2028 Long Term Plan for public consultation.
3. That Council notes that should Council decide to include the interim rail service in the Long Term Plan that this option will only proceed subject to receiving significant Central Government funding and successfully concluding negotiations with Auckland Transport on integrated ticketing, and with KiwiRail on rail network access and a suitable ownership arrangement for rolling stock to the satisfaction of Council.

Background

6. The Waikato and Auckland regions are experiencing high population growth and this is expected to continue more rapidly than predicted due to faster than expected housing demand in both regions. The majority of this growth has occurred in the past five years in Auckland, Hamilton and key growth centres along State Highway 1/Waikato Expressway such as Pokeno and Tuakau.
7. This strong growth is expected to continue due to pending approved special housing areas, district plan changes and a number of private plan changes that are being proposed by developers. This increasing growth is likely to place significant pressure on transport corridors between Hamilton and Auckland, and in particular the Waikato Expressway which is a nationally significant transport corridor that provides strategic transport connections for the Upper North Island.
8. In recognition of this growth the Waikato Regional Transport Committee (RTC) at its meeting on 4 September 2017, agreed to undertake a Strategic Business Case (SBC) to investigate transport connections between Hamilton and Auckland. The purpose of the SBC is for the key transport partners to identify and agree on the key problems or opportunities with respect to transport connections between Hamilton and Auckland, and to identify a preferred approach or response (with clear evidence) for addressing the problems.
9. An Auckland and Hamilton Transport Connections Working Party (the Working Party) has been established by the RTC to develop a SBC by April/May this year. The Working Party includes representatives from Waikato Regional Council, Hamilton City Council, Waikato District Council, Auckland Council, Auckland Transport, KiwiRail and the NZ Transport Agency. Representatives from Treasury and the Ministry of Transport are also in attendance at the Working Party meetings.
10. Whilst the Working Party is of the view that a robust business case should be developed prior to implementing any solution, it was also agreed that an 'interim passenger rail option' should be explored in parallel to SBC process, in response to the early signal from Central Government on Auckland to Hamilton passenger rail service.

Doc # 11675626

11. The service details relating to the proposed interim rail option are outlined in the table below:

Hamilton to Auckland Passenger Rail Connections - Proposed interim service option	
Service description	To provide a diesel shuttle service between Hamilton (Frankton Station) and Papakura rail station, where passengers would be able to transfer onto the Auckland Metro rail network.
Service levels	Two daily return commuter services on weekdays, leaving Hamilton at 6.00am and 6.40am and returning at 5.10pm and 6.00pm. A single return inter-peak service on weekend days and public holidays.
Rolling Stock	3 refurbished Suburban Driving (SD) / 6 refurbished Suburban Auckland (SA) units and 2 locomotives
Total seating capacity	Maximum 155 boardings per single trip (loading factor based on a 3-car set SD/SA train unit per trip)
Estimated Journey time	Hamilton to Papakura (interim rail shuttle service)- 1 hour 30 mins Papakura to Britomart (Auckland rail services) – 50 mins Total journey time from Hamilton to Britomart – 2 hours 20 mins (incl. wait/transfer time at Papakura)
Stops	Huntly at the initial phase, and other stops including the Base, Te Kauwhata, Pokeno and Tuakua will be added subject to future station upgrade and improvement.
On-board features	Air-conditioning and heating, wi-fi and toilet
Fares	\$16.10 one way (a Hamilton-Papakura fare of \$10 ¹ , plus a Papakura-Britomart fare of \$6.10 ²)

12. Of importance for Council to note is that Central Government has indicated that the Hamilton-Auckland passenger rail service is a project which they will support. However the nature and scope of Central Government's investment for the Hamilton-Auckland passenger rail proposal has not yet been confirmed, and it is expected that this information will be released as part of the new 2018-21 Government Policy Statement on Land Transport which is due to come out in February/March 2018.
13. A letter from His Worships Mayor Andrew King, Mayor Allan Sanson and Chairman Alan Livingston was sent to the Minister of Transport, Hon Phil Twyford in November 2017 seeking confirmation of the Government policy for the inter-regional rail service. A reply has yet to be received from the Minister.
14. Hamilton City Council has also met with the Minister and the Ministry of Transport to advocate for the Auckland and Hamilton passenger rail project.
15. In anticipation of Central Government confirmed policy and funding commitment to the Hamilton to Auckland passenger rail service, Hamilton City Council has requested that Waikato Regional Council, as

¹ Based on proposed Waikato Regional Council PT zonal fares

² Based on standard Auckland Transport HOP fares

Doc # 11675626

the statutory public transport authority for the region, include the service in the WRC 2018-28 Long Term Plan with appropriate rating provisions to fund the local share of the service (refer letter in Attachment 1). This proposal will then be consulted with the public as part of the LTP process. Representatives from Hamilton City Council will join Council at the LTP meeting on 31 January to present their letter.

Key service assumptions for the interim passenger rail service

Rolling Stock

16. Based on the feedback from KiwiRail and Auckland Transport, the interim option is operationally feasible and can be implemented within the next 12-18 months, subject to appropriate rolling stock being secured.
17. KiwiRail has indicated there is an opportunity to use the ex Auckland Metro rail rolling stock (SA/SD rail carriages) for the interim service, however the rolling stock will need to be refurbished to provide accessible toilets, functioning doors, driving cab and appropriate upholstery.
18. It should also be noted that there is strong overseas interest to purchase these rolling stock units in the near future. As a result, a letter has been sent at the request of the Working Party (excl AT) to the Minister of Transport, seeking that the Minister ensure that this rolling stock remains in public ownership until the SBC is completed and a decision is made by the Auckland and Waikato partners on the interim rail option. To date, no reply has been received from the Minister.
19. Other rolling stock including the RM-Silver Fern DMU carriages that were included in Greater Auckland's Rapid Rail Proposal and The Rail Opportunity Network (TRON) report and SE/SW carriages (owned by Greater Wellington Regional Council) have not been considered for the interim service proposal due to the suitability and availability of these carriages.

Railway stations

20. Based on the preliminary investigation done by KiwiRail in 2011, there are only two railway stations (Huntly and Frankton) in Waikato that are ready to a minimum standard for a passenger rail service to dock and depart.
21. It is envisaged that future stops would be included for the interim service, subject to further improvement being made to existing train stations at Ngaruawahia, Te Kauwhata, Pokeno and Tuakau, and a new railway platform being built at the Base (proposed multi-modal public transport interchange and park and ride facility). It should be noted that any additional stops being included on the route will be likely to increase overall journey time by approximately 6 min per stop.

Fare levels

22. For the purposes of assessing the potential passenger demand and fare revenue for the interim service, a standard fare of around \$16.10 (Incl. GST) has been assumed for a one way trip between Hamilton and Auckland. This is broken down between a fare of around \$10 between Hamilton and Papakura based on the proposed WRC zonal fare structure, and a further fare of around \$6.10 for the remainder of the journey from Papakura to Auckland based on the current Auckland Transport HOP fares.
23. The standard fare (\$16.10) for the interim service is equivalent to the Auckland Transport Metro and Wairarapa-Wellington rail service fares but lower than Palmerston North and Wellington Capital Connection (Capital Connection) fares. It is understood that that the Capital Connection (Palmerston North to Wellington passenger rail service) fares are set taking account of 'avoidable costs' and as a result are priced similar to the costs of operating a medium size car³.

³ Hamilton City Council suggested using the Capital Connection average one-way fare (\$24.00) and a remit to Auckland of \$5.00 instead of \$6.10. Using these fare assumptions under a 75% FAR yields a total revenue of \$1.61 million (instead of \$849,130), net cost goes down to \$6.39 million (instead of \$7.15 million), WRC share drops to 1.59 million (from 1.78 million) and the total increase in rate for a median HCC property is equivalent to \$27.91 (instead of \$30.59).

Interim Passenger Rail Option – Financial analysis

24. Waikato Regional Council staff have undertaken some high level analysis on the interim rail option based on the service characteristics outlined in this report. The total costs (operational and capital expenditures) for the interim solution, and potential rating impacts based on various funding scenarios are set out in the following tables. A more detailed breakdown of the potential rating impacts based on different capital value ranges for Hamilton City properties is included in Attachment 2.

Table One - Estimated Revenue, operational expenditure, capital expenditure and rating impacts

Proposed interim solution – estimated operational expenditure (OPEX)	
Revenue	
Average boarding ⁴ per weekday day service	85
Total weekday services per year	1,000
Average boarding ⁵ per weekend service	62
Total weekend services per year	200
Total annual passenger boarding (weekdays and weekends)	97,400
Average fare one way (GST excl.) ⁶	\$8.70
Total annual fare revenue (Hamilton to Papakura)	\$849,130
Operational Expenditure	
Total annual operating cost	\$8,008,555
Total net costs (funding gap)	\$7,159,424
Proposed interim solution – estimated capital expenditure (CAPEX)	
Rolling Stock and Contingency	
Carriage purchase (total of 9 SA/SD units with 3 as backup units)	\$630,000
Carriage modification	\$2,163,750
Loco purchase	\$4,600,000
Security	\$240,000
Wi-Fi installation	\$300,000
Electronic ticketing system	\$300,000
Total cost	\$8,233,750
Annual funding requirement (if paid over a 6-year period) ⁷	\$1,555,380
Potential annual rating impact (Hamilton Targeted Public Transport Rate) based on different NZTA Financial Assistant Rates (FAR), accounting for both OPEX and CAPEX (over a 6-year loan period)	

⁴ Based on a loading factor of 55% of the service capacity (Maximum 155 seating capacity per single trip)

⁵ Based on a loading factor of 40% of the service capacity (Maximum 155 seating capacity per single trip)

⁶ A standard fare between Hamilton and Papakura is \$10.00 on way including GSTA, and \$8.696 excluding GST (=\$10.00/1.15- IRD formula).

⁷ Based on a six year loan and applicable interest rate of 3.7% per annum.

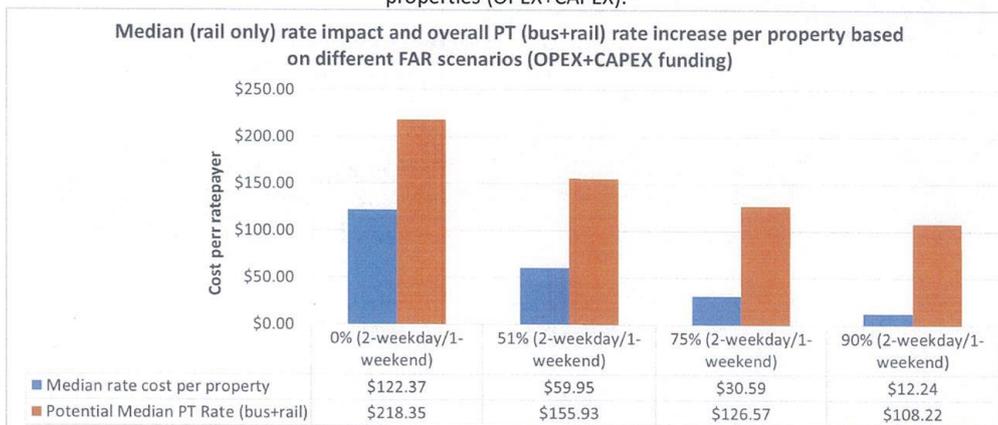
Doc # 11675626

Total rateable properties in Hamilton	58,500 (end of 2018 Hamilton City Council forecast)
Rate increase per Hamilton property based on median Capital Values (\$400,000-\$450,000) ⁸	Without NZTA subsidy - \$122.37 (\$100.53-OPEX, \$21.84-CAPEX)
	With NZTA subsidy at a standard 51% FAR - \$59.95 (\$49.25-OPEX, \$10.70-CAPEX)
	With NZTA subsidy at an enhanced 75% FAR - \$30.59 (\$25.13-OPEX, \$5.46-CAPEX).
	With NZTA subsidy at an enhanced 90% FAR - \$12.23(\$10.05-OPEX, \$2.18-CAPEX).

Table Two – Summary for funding mix using the standard funding sources and different FAR Rates (combining both OPEX and CAPEX).

Financial Parameters					
Revenue	\$			849,130	
Total OPEX + annual repayment of CAPEX (6-year loan)	\$			9,563,935	
Net Cost/Subsidy (for both CAPEX+OPEX)	\$			8,714,805	
Farebox Recovery Ratio				8.88%	
Potential FAR given by Central Government		0%	51%	75%	90%
NZTA- CG Share (CAPEX+OPEX)	\$	-	\$ 4,444,551	\$ 6,536,104	\$ 7,843,325
WRC Share (CAPEX+OPEX)	\$	8,714,805	\$ 4,270,254	\$ 2,178,701	\$ 871,481
Targeted Rate Increase (%)		127.50%	62.46%	31.87%	12.74%

Chart One – Rate impact through median, average and overall metrics for Hamilton City Councils rateable properties (OPEX+CAPEX).⁹



25. It should be noted that the financial analysis is based on the information provided by KiwiRail and Auckland Transport, and has been peer reviewed in conjunction with Hamilton City Council staff.
26. The costs for the capital expenditure is based on the assumption that the rolling stock will be purchased and owned by WRC, and it does not include any costs associated with capital improvement (e.g. station upgrade) which will be delivered by Hamilton City Council and Waikato District Council.
27. Ownership of the rolling stock presents a risk to WRC of potentially owning major capital items that could become redundant in the future. It is expected that further conversation with KiwiRail will be critical to determine the best ownership model/arrangement for the rolling stock. In the event where rolling stock

⁸ We have used November 2017 dataset for Hamilton City Council rateable properties, with capital value figures calculated on 2015 revaluation.

⁹ The current targeted rate for Public Transport for a median property is equivalent to \$95.98 according to the latest CV dataset from November 2017. Doc # 11675626

is owned by KiwiRail and leased out to WRC, this is likely to remove the capital funding requirement, but increase the overall operating costs.

28. Furthermore, there are other service items that have not been fully scoped out which would require further investigation to understand the cost implications. The major service items that will need to be included in the final rail proposal include:
- The total operating cost does not include the management of electronic ticketing system (only the purchasing of the hardware). Further discussion will need to be had with Auckland Transport to determine the most appropriate arrangement for the integrated ticketing system (WRC Busit or AT HOP) and the likely contracting cost for the ticketing service;
 - A rail depot would need to be established in Hamilton to enable the rolling stock to be stored/parked overnights;
 - The cost of installing Wi-Fi will be covered under CAPEX, however, the ongoing costs of providing on-board Wi-Fi services will be incurred on a yearly basis through contracting an internet provider.
29. It should also be noted that the recently completed Access Hamilton Strategy seeks a substantial increase in public transport mode share in Hamilton City and that WRC and HCC are working together to prepare a Mass Transit Plan to determine how public transport infrastructure and services in Hamilton can be enhanced to achieve the increase mode share targets.
30. To achieve the desired mode share targets, this would require a significant increase of PT service levels in Hamilton over the next 10 years. Therefore any potential increase to the Hamilton targeted PT rate will need to be considered in the context of anticipated future increased PT investment in Hamilton urban bus services.

Funding partners feedback on the interim rail option

31. A letter was sent out to the potential funding partners who have an interest in a Hamilton-Auckland passenger rail service (Hamilton City Council, Waikato District Council, Auckland Council and NZ Transport Agency), to seek their feedback on the interim rail option, and in particular their willingness to financially support such service.
32. Feedback from these organisations has been received and is included in Attachment 1, and their feedback is summarised in the table below:

Funding partner feedback on the proposed interim rail option		
Funding partner	General comments	Potential funding commitment
Hamilton City Council	<ul style="list-style-type: none"> • HCC strongly supports the interim solution. • A number of capital projects (e.g. a multi-modal PT hub/park and ride in Rotokauri adjacent to the Base) have been included in HCC's draft 2018-28 Long Term Plan to support a Hamilton-Auckland passenger rail service. • HCC would advocate to central government for an enhanced FAR (75%-100%) to fund the capital costs (rolling stock and rail station/infrastructure upgrade) • Would advocate the central government to fully fund the operational costs for a 2-year trial period 	<ul style="list-style-type: none"> • Support WRC to include the interim rail option in its draft Long Term Plan for public consultation • Support WRC to provide local share funding for the interim rail service via its targeted PT rate for Hamilton city.

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Waikato District Council	<ul style="list-style-type: none"> WDC supports the development of the robust Business case so that a long term structured and affordable solution is agreed rather than proceeding with a physical single mode transport solution. 	<ul style="list-style-type: none"> WDC does not support in principal the proposed interim rail solution (unless the shortfall of funding is met by the Crown). WDC is not willing to consider associated financial support for moving the solution forward.
Auckland Council	<ul style="list-style-type: none"> AC supports the commuter rail option in principle, however not the interim option in its current form. Note that the interim solution may not offer the desired service standards or customer experience and could undermine the wider rail propositions that are being considered through the SBC 	<ul style="list-style-type: none"> AC does not support funding for the interim option, and the contribution will be limited to network enablement for any future rail service.
NZ Transport Agency	<ul style="list-style-type: none"> NZTA does not support any rail proposal prior to the completion of SBC. 	<ul style="list-style-type: none"> NZTA does not support funding for the interim solution without a business case.

Proposed options for next steps

33. Based on financial analysis and feedback received from the funding partners, staff have identified two options as a possible way forward, along with brief analysis presented in the table below. The first option is based on Council supporting the proposal in the Long Term Plan. The second option is based on Council not including the proposal in the Long Term Plan.

	Indicative gross costs	Benefits	Risks
<p>Option 1: Support the interim rail proposal to be included in the draft 2018-28 WRC Long Term Plan (LTP) for public consultation, <u>subject to receiving significant Central Government funding and successfully concluding negotiations with Auckland Transport on rail network access and integrated ticketing, and with KiwiRail in respect to the ownership of the rolling stock.</u></p>	<p>Capital Expenditure = \$8.23 million</p> <p>Operational Expenditure = 8.00 million</p> <p>[Note: the costing is only indicative and further work will need to be undertaken in conjunction with KiwiRail and AT to confirm the detailed service proposal and costing for the interim option]</p>	<ul style="list-style-type: none"> Align with the current government's objective to improve inter-regional public transport connections Responding to community and some stakeholder expectations Provide greater certainty to invest and secure the rolling stock early Early opportunity to access central government funding for passenger rail service (if it is made available through the National Land Transport Programme) Proposal is consulted through the LTP process 	<ul style="list-style-type: none"> Significant rating impact for WRC (even with subsidy from central government) Interim option would offer a substandard service that does not necessarily address customer needs - ie direct and express service to Auckland CBD with no transfer. By implementing the interim option prior to a business case being prepared, this could potentially jeopardise the funding opportunity from NZTA and other key stakeholders.

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<p>Option 2: Not to include the interim rail proposal in the 2018-28 WRC Long Term Plan (LTP), but will consider including any future passenger rail proposal in future Annual Plans if it is supported by the SBC and there is a firm funding commitment from the government.</p>	<p>To be determined, depending on the outcomes of the SBC</p>	<ul style="list-style-type: none"> • The completion of the SBC will allow for an evidence-based and informed policy decision to be made regarding the most optimal PT option for Auckland-Hamilton connections • Allow a more integrated approach to plan for medium and longer term passenger rail options and infrastructure. • Due process is followed with greater level of buy-in (and potentially funding support) from key stakeholders and central government agencies (NZTA and Treasury) 	<ul style="list-style-type: none"> • Not meeting community and some stakeholder expectations • There is a risk that the ex Auckland Transport SA and SD carriages could be sold to overseas and the cost for purchasing new diesel-powered units will be significantly higher.
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Conclusion

- 34. Council decision is sought on the preferred option and whether to consult the interim rail option as part of the draft 2018-28 Waikato Regional Council Long Term Plan.
- 35. Council notes that should Council decide to include the interim rail service in the Long Term Plan that this option will only proceed subject to receiving satisfactory Central Government funding and successfully concluding negotiations with Auckland Transport on rail network access and integrated ticketing.

Attachments

Attachment 1: Feedback from funding partners on interim rail option

Attachment 2: Analysis of potential rating impacts based on different capital value ranges for Hamilton City properties and potential FAR provided by NZTA/Central Government

Attachment 1: Feedback from funding partners on interim rail option

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hamilton.govt.nz

13 December 2017

Mike Garret
Chief Financial Officer
Waikato Regional Council
Private Bag 3038
Waikato Mail Centre
Hamilton 3240

Dear Mike,

Re: Hamilton to Auckland Transport Connections Working Party – funding for interim solution.

Thank you for your letter dated 12 December 2017 in relation to the proposed interim solution for an Auckland to Hamilton passenger rail service.

You have asked me to confirm:

1. Whether Hamilton City Council would support the interim solution outlined in your letter in principle.
2. If Hamilton City Council would support Waikato Regional Council rating for the Hamilton share of the interim passenger rail service via the Waikato Regional Council Hamilton Special Public Transport rate.

You have further requested if I could provide an organisational response by 19 January 2018.

The timing of your request is such that it does not allow me to put these matters formally to Council for a decision.

I can respond as follows however.

Hamilton City Council this week has resolved to include a number of capital projects in its draft 2018-28 10-Year Plan that support a Hamilton to Auckland Public passenger rail service. The projects are based on an assumption of receiving an NZ Transport Agency subsidy of 51% and, with the exception of the land acquisition, are subject to public consultation.

These projects include:

- \$6.4m for the immediate purchase of land for a future public transport hub/park and ride in Rotokauri adjacent to the Base (this acquisition is now complete).
- A further \$3.5m commencing in year 2019/20 to develop the park and ride.
- \$0.75m in year 2018/19 to develop rail platform infrastructure at Rotokauri with a further \$1.25m in 2021/22.

These provisions demonstrate Councils commitment to a passenger rail service.

In relation to the interim service it has been our expectation that the interim service would consist of 2 return am peak rail services commencing at Frankton with a stop at Rotokauri (subject to the timing of works to enable this) and a single return service on weekend days. I have attached to this letter a Proposed Service Outline (Outline) that has been formulated by my General Manager City Infrastructure and the Chair of Growth and Infrastructure Committee considering all the available information.

Please note that this Outline is not a decision of Council but it is expected that the final service decision will be informed by this Outline, the work that the working party is undertaking, and by the work of Council's own Access Hamilton Working Group.

Central government has indicated that the Hamilton – Auckland passenger rail service is a project which they will support, with our understanding that their funding is likely to focus on the capital cost of establishing the service. Our preference is that central government also funds the operational costs for a trial period as set out in the Outline.

Our Council expects however that a 'local share' may be required as is the situation for other regional and city public transport services. If this is the case I believe it is appropriate for Waikato Regional Council to include a proposal for rating for any Hamilton share of the interim passenger rail service via the Hamilton Special Public Transport rate which is the current accepted process for funding public transport services.

We therefore request that Waikato Regional Council include in its LTP for consultation an additional amount in its passenger transport rate for Hamilton City, to provide this local share.

We also note that more information on the nature and scope of central Government's investment in the proposal passenger rail service is likely to be available prior to the confirmation of both Council's LTP's, at which time the allocations and timing of both Council's figures will be able to be updated.

Yours faithfully,



Richard Briggs
Chief Executive Officer

Chris Allen

From: Chris Allen
Sent: Monday, 13 November 2017 23:13
To: Chris Allen - City Infrastructure (Chris.Allen@hcc.govt.nz)
Subject: FW: Draft Passenger Rail Service: HCC Proposal

The following is a proposed initial service for the purposes of discussion and alignment between partners and stakeholders

Hamilton - Auckland Service

Short Summary:

- 1/. 2 return commuter passenger services per working week day, 2 hours 15 mins each direction, leaving Hamilton 6.00 am and 6.40 am and returning 5.10 pm and 6.00 pm. (Note: Labour Party election platform & Greater Auckland (GA) proposal is for 2 peak and three inter-peak services on weekdays, reduced weekend Service, one return service per day to Tauranga);
- 2/. Single return service on weekend days (Labour/GA = reduced weekend service);
- 3/. Hamilton - Papakura (or Otahuhu if available, as per Labour Party election platform)
- 4/. Single ticket each direction, transferable onto Auckland metro lines (revenue split negotiated with Auckland Transport - alternatively AT give Waikato access to Britomart);
- 5/. Approximately same pricing as Palmerston North - Wellington service (\$20 adult one-way; \$35 adult day return, 10-trip, monthly and child/pensioner discounts);- NOTE WRC Report is looking at a Fare of \$16.10 one way to align with WRC PT Fare Review and Auckland metro fare from Papakura to CBD (\$6.10)
- 6/. Commence with one consist per service (Diesel engine + two carriages = 160 pax)
- 7/. Service to use refurbished Diesel engines available through KiwiRail;
- 8/. Service to use refurbished carriages currently stored in Taumarunui, and purchased by KiwiRail, to include, new upholstery, wifi, toilets, cafe bar and be 'business-friendly';
- 9/. Service to be operated by KiwiRail as far as it travels into Auckland;
- 10/. Depart Hamilton Station (at Frankton); stops at: Te Rapa, Huntly, Te Kauwhata, Tuakau); need to consider Bus links in various locations to Public Bus routes
- 11/. HCC to provide platform, shelter, park & ride & bus interchange at Te Rapa;
- 12/. Waikato DC to provide basic passenger trackside infrastructure at northern stops;
- 15/. Government to provide enhanced FAR subsidy (75-100%) for HCC and WDC trackside passenger infrastructure;
- 16/. Government to fully fund initial capital cost for 7 and 8 above (diesel engines and carriages)

Tauranga - Auckland Service

- 17/. One of 2 daily services starts in Tauranga (the first), and returns to Tauranga in the evening.
- 18/. Also stops also at Matamata and Morrinsville, then same stops as Ham-Akl service;
- 19/. Trackside passenger infrastructure funded by MPDC & TCC, split with Govt enhanced FAR subsidy;

Potential Operational Funding

1. Government to fully fund the operational costs for a trial period, after fare recovery

-
2. If Funding is to migrate away from fully funded by government then funding model should be
 - Fares
 - NZTA subsidy at 51% for Operational costs less fares
 - WRC to fund balance through direct rating of Hamilton properties for Hamilton Share and invoicing of Waikato DC for northern Share
 3. Operational costs for Tauranga services to be similar to 2 above with invoicing to Tauranga City Council and Matamata Piako DC

Dave Macpherson
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**OFFICE OF THE MAYOR
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19 January 2018

Mike Garrett
Chief Financial Officer
Waikato Regional Council
Private Bag 3038
Waikato Mail Centre
HAMILTON 3240

Dear Mike

Hamilton to Auckland Transport Connect

I am writing to you in response to your letter regarding the Hamilton to Auckland Transport Connection Working Party (working party) and possible funding, for an interim rail service between Hamilton and Auckland.

At the meetings of the working party to date, the Council has agreed and formally resolved positions on what needs to be undertaken to address the perceived issues between Hamilton and Auckland.

The Council's view is that the provision of an efficient and reliable transport service is a goal which needs to be delivered via strong support from all agencies and be delivered over a long term view. The first stage of this process is development of a business case for a mode of transport solution.

The proposal from some members of the working party for a rail solution in the short term is not supported by Council as it does not align with the Council's long term vision for the region.

With this in mind, my Council cannot either support or fund the proposal for a rail solution in the short term. Council instead remains supportive of the business case process that has been entered into where a structured and affordable solution is agreed. Council's contribution to date, to support business case development, is to fund the business case process.

I trust this answers your query. If you need further information, please contact Gavin Ion, Chief Executive, on telephone 07 824 8633.

Yours sincerely

Allan Sanson
HIS WORSHIP THE MAYOR

Party – Funding for Interim Solution

My Council's view is that the provision of an efficient and reliable transport service is a goal which needs to be delivered via strong support from all agencies and be delivered over a long term view. The first stage of this process is development of a business case for a mode of transport solution.

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The proposal from some members of the working party for a rail solution in the short term is not supported by Council as it does not align with the Council's long term vision for the region.

With this in mind, my Council cannot either support or fund the proposal for a rail solution in the short term. Council instead remains supportive of the business case process that has been entered into where a structured and affordable solution is agreed. Council's contribution to date, to support business case development, is to fund the business case process.

I trust this answers your query. If you need further information, please contact Gavin Ion, Chief Executive, on telephone 07 824 8633.



17 January 2018

Mike Garrett
Chief Financial Officer
Waikato Regional Council
Private Bag 3038
Waikato Mail Centre
Hamilton 3240

Dear Mike

Thank you for your letter dated 12 December 2017 regarding Hamilton to Auckland Transport Connections Working Party – funding for interim solution.

You have asked whether we support the interim solution in principle and if there is a willingness for Auckland Council to financially contribute to the interim passenger rail solution.

- We support the commuter option in principle but not in its current form. The commute time and likely customer experience means that the wider proposition could be undermined by this as a starting point. We believe this will have better success and be more attractive when the commute time and experience can be improved. Projects such as 3rd and 4th main line are essential to that happening.
- We do not support funding. Our contribution to network enablement will be our contribution at the right time.

Yours sincerely

Stephen Town
Chief Executive

cc: Jim Quinn, Chief of Strategy
Auckland Council



16 January 2018

Mike Garrett
Chief Financial Officer
Waikato Regional Council
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Teena koe Mike

Hamilton to Auckland Transport Connections Working Party - funding for interim solutions

Thank you for your letter dated 12 December 2017. The letter suggests proceeding with a passenger rail service as an 'interim solution'; whilst a working party proceeds with investigating a Strategic Business Case to investigate options for improving connections.

Our understanding is that the working party is to look at multi model inter regional connections and not restrict itself to just passenger rail. The NZ Transport Agency's view is that any commitment by the Councils of significant funding prior to completion of the working party work might be premature. For that reason we do not support the interim solution in principle.

In regards to funding, the NZTA is generally unable to fund inter regional passenger trains, in particular in the absence of a business case. As such we will not be able to contribute to this service.

Finally, as a matter of clarification, does the estimated cost of the proposed interim service include or exclude the costs of rolling stock?

Ngaa mihi

A handwritten signature in black ink, appearing to read 'Parekawhia McLean', written in a cursive style.

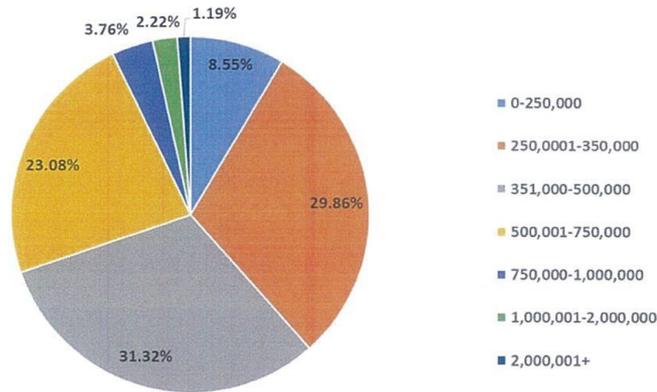
Parekawhia McLean
Director
Central North Island, Regional Relationships

Cc Dennis Crequer, NZTA

Attachment 2: Analysis of potential rating impacts to fund Operational Expenditure (excl. CAPEX) based on different capital value ranges for Hamilton City properties

2.1 Chart One – Distribution of rateable properties across Capital Value ranges in Hamilton City Council

Percentage of rateable properties per capital value (CV) range in HCC (2017 figures)



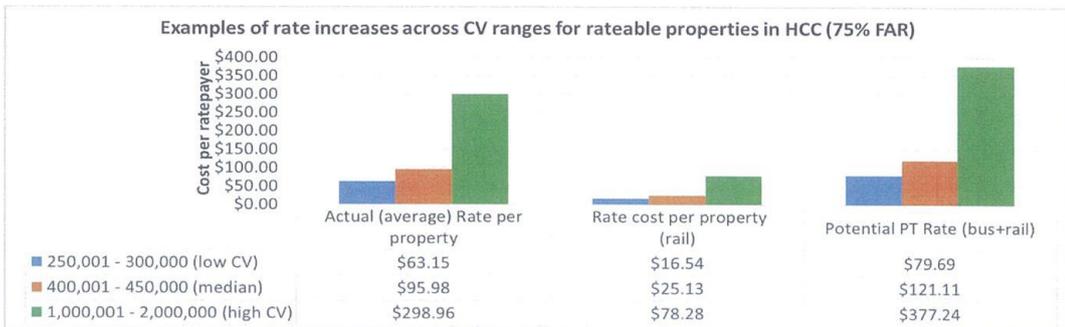
2.2 Chart Two – Impact on a low, median and high value property across Hamilton City Council with a 51% FAR

Examples of rate increases across CV ranges for rateable properties in HCC (51% FAR)



2.3 Chart Three – Impact on a low, median and high value property across Hamilton City Council with a 75% FAR

Examples of rate increases across CV ranges for rateable properties in HCC (75% FAR)



Attachment 9

Item 7

Council Report

Item 8

Committee: Growth and Infrastructure Committee

Date: 20 February 2018

Author: Robyn Denton

Authoriser: Chris Allen

Position: Network Operations Team Leader

Position: General Manager City Infrastructure

Report Name: NZ Police - Update on road policing activities in Hamilton City

Report Status	<i>Open</i>
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Purpose

1. To inform the Committee about road policing activities in Hamilton City via an update from the NZ Police (verbal report).

Staff Recommendation

That the Growth and Infrastructure Committee receives the report.

Attachments

There are no attachments for this report.

Council Report

Committee: Growth and Infrastructure Committee

Date: 20 February 2018

Author: Alice Morris

Authoriser: Kelvyn Eglinton

Position: City Planning Policy Team Leader

Position: General Manager City Growth Leader

Report Name: Infill and Intensification Growth

Report Status	<i>Open</i>
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Report Status	<i>Open</i>
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Purpose

1. To inform the Growth and Infrastructure Committee on infill and intensification growth within the Residential and Business zones for the city.

Staff Recommendation

That the Growth and Infrastructure Committee receives the report.

Executive Summary

2. The planning provisions for urbanisation of Hamilton over the past 50 years (1967 – 2017) have always anticipated a mix of residential typologies and the manner in which housing is provided and planned for. The typologies during this period all have similarities and are comparable to the types of residential developments being constructed today.
3. Hamilton, as an urban authority with limited land resource, has always had to consider the alternative to continuously increasing its footprint. To sustainably manage its limited land resource over the past 50-year period all planning documents applied during this time have provided opportunity for:
 - apartment type developments
 - comprehensive developments/integrated residential developments
 - semi-detached/duplex
 - second dwellings
 - a dwelling with an ancillary unit.
4. It wasn't until 2001, under Hamilton's first District Plan prepared under the Resource Management Act, that greater permissiveness of residential living in the business areas was enabled.
5. The 2017 Operative District Plan has continued the use of the different typologies, now with a greater urban design emphasis and requirements on both on-site and off-site amenity. Urban design principles, along with planning provisions, set the parameters in which developments, via the resource consent process can be enabled. Under this District Plan ancillary unit is a

permitted activity and in the case of a duplex development the restricted discretionary activity application does not require third party involvement.

6. Staff consider the matters in this report have low significance and that the recommendations comply with the Council's legal requirements.

Background

7. Infill and intensification occurs in the following situations:
 - Infill occurs on residential and some business zoned sites throughout the city. The typologies that can be used range from single units, duplexes, ancillary dwellings and integrated residential development ('IRD').
 - Intensification occurs only in specifically zoned locations and favours either duplex or apartment type typologies. The intensification zones are located near the University, Waikato Hospital, the suburban centres of Five Cross Roads, Dinsdale, and Hamilton East (refer to Attachment 1).
8. Infill and intensification are accepted planning approaches to manage the growth and provision of infrastructure throughout New Zealand and internationally.
9. Sustainable management of the city's growth within its limited land resource is important to give effect to the Hamilton Urban Growth Strategy ('HUGS'), the Future Proof Strategy ('Future Proof') and the Waikato Regional Policy Statement ('WRPS'). The use of intensification and infilling is a valid planning strategy for:
 - protecting the limited physical resources of the city
 - reducing potential urban sprawl, improving energy efficiency and increasing cost-efficiency of infrastructure (roads, passenger transport, 3 waters and public spaces)
 - enabling the maximisation of development opportunities given particularly the city's small geographical area constraints
 - the efficient and effective integration of land use, infrastructure and the drive for regeneration
 - the ability to provide a variety of dwelling design and scale along with site sizes increases housing choices.
10. The development of the city's residential areas has, over the past 50 years, been a mix of differing housing typologies. The planning provisions during 1967-2017 have provided for a set of similar typologies, these being:
 - apartment type developments (per 2017 deemed 2 or more attached units; 2017: 3 or more attached units)
 - comprehensive developments (2017: Integrated Residential Developments)
 - semi-detached (2017: duplexes, if 2 units; apartments, if 3 or more units are attached)
 - second and subsequent dwellings (free standing)
 - dwelling with an ancillary unit.
11. The 2017 planning provisions have retained a similar mix of typologies available to be developed and densities have, in certain typology circumstances, become more conservative (Attachment 2). What has evolved over the 50 years is where residential accommodation is permitted in the other zones. Residential living in commercial areas not associated with business activities (e.g. caretaker's accommodation) began to be encouraged in the 2000s. However, residential accommodation in the industrial zone has always been limited to accommodation associated with the industrial use, and limited to only one per site.
12. Through the 2011 District Plan review the manner in which both infill and intensification occurred was reviewed. There was greater focus on location for intensification and the

introduction of typologies to provide greater flexibility for property owners and developers whilst ensuring the urban development framework set out in the WRPS and Future Proof was reflected.

Discussion

13. Planning Framework
14. The broad planning framework that delivers infill and intensification is a mix of strategic planning direction, recent central government initiatives and developer-led approaches.
15. Strategic Policy Documents
16. The WRPS and Future Proof set out the overarching policy direction for the future growth of the region. The WRPS also provides an overview of the resource management issues of the region. Section 6 of the WRPS sets out the density anticipated by the different urban areas throughout the region to ensure the built environment is achieved in an integrated, sustainable and planned manner that is consistent with the Future Proof Strategy provisions. The District Plan is required to give effect to the WRPS, and does so with regard to infill and intensification. This is achieved by managing densities and planning provisions that enable higher-density living.
17. Policy 6.15. Density Targets for Future Proof Areas, Part 6, Built Environment, WRPS, identifies the following density targets required to be achieved in Hamilton *“to achieve compact urban environments that support existing commercial centres, multi-modal transport options, and allow people to live, work and play within their local area. In doing so, development provisions shall seek to achieve over time the following average gross density targets”*:
 - Central Business District 50 households per hectare
 - Intensification Areas 30 households per hectare
 - Hamilton Greenfield areas 16 households per hectare
18. All other residential areas in the city are expected, over the next 30-year period, to be utilised for infill development to achieve a compact city to accommodate the residential growth allocation set out in Table 6-1: Future Proof residential growth allocation and staging 2006-2061 in the WRPS.
19. HUGS is the long-term strategy for Hamilton’s growth to accommodate the living choices and life stages of the community. It includes the development of the greenfield growth cells, to the provision of smaller, more compact living environments, whilst enabling better use of infrastructure, public transport, walking and cycling. This strategy proactively discourages urban sprawl and encourages the management of the city’s long-term urban footprint (HUGS, page 8). HUGS also identifies the need to actively encourage the regeneration of existing urban areas around key nodes, transport hubs, suburban centres and areas of high public amenity, such as the river and parks.
20. Recent central government initiatives, the National Policy Statement – Urban Development Capacity (‘NPS-UDC’) and Special Housing Areas (‘SHAs’) are also enabling policies to provide for additional urban development. The Council has been fully informed on both through previous staff reports to Council (Special Housing Areas Policy Deliberations Report, 24 August 2017).
21. Other Influences
22. Both developer-led private plan changes and resource consents for infill and intensification developments that are not anticipated also influence the urban environment (e.g. Te Awa Lakes).
23. District Plan Provisions

24. The strategic framework of the 2017 Operative District Plan ('ODP') reinforces the compact and sustainable city approach through the increased use of densities within identified urban areas as well as organically through infill opportunities. As identified in HUGS, the specific objectives and policies for residential development strongly focus on the need for balance between the intensification of urban living and the differing household needs of the community to meet the city's diverse range of people and communities. The ODP identifies that higher density residential development must be located close to central city, suburban and neighbourhood centres, hospitals and tertiary educational facilities, open spaces and other areas of high social amenity whilst the more traditional residential areas retain a lower density with infill opportunities. Permitting these density provisions throughout the city achieves the requirements set in the WRPS.
25. The ODP provides numerous opportunities for residential development in the residential, central city and business zones. As identified in Attachment 1, the locations of the infill and intensification areas are all within the city limits. Infill occurs in the general residential zone while intensification is limited to the Residential Intensification zone, certain business zones and the Central City zone.
26. Attachments 3 and 4 set out the specific planning provisions relevant to the different types of typologies used in infill and intensification. The types of topologies set out in the ODP range from:
- single dwellings on minimum 400m² sites
 - single dwellings and ancillary unit developments on a 600m² site
 - duplex dwellings (2 attached units) on a 400m² site (200m² per unit)
 - apartment development (3 or more attached units) having a minimum net site area per apartment unit of 150m².
27. The urban design principles and planning provisions under the ODP set out the parameters for how developments, via the resource consent process, are enabled. In the case of a duplex development the restricted discretionary activity status ensures the ability for discussion between staff and the applicant on the finer points of design and engagement with the surrounding environment; and there is no requirement for third party involvement.
28. The urban design outcomes are beginning to become more apparent in the actual construction of these developments (Attachment 5).
29. Consent and Urban Design Influences
30. There is estimated to be approximately 14,000 dwelling capacity for infill across the city under the existing planning and investment framework.
31. During the period 2012 to 2017 there has been a steady growth in the development of multi-unit type developments (e.g. apartments and duplexes). Attachments 6 and 7 graphically shows this trend against that of single dwelling development and that of infill versus greenfield growth.
32. The use of stronger urban design principles embedded into the ODP along with the advice from the Urban Design Panel on the larger developments has ensured improvement in the typology mix, design features and layout of the final development from what was initially discussed at the first pre-application meeting. Staff and developers are engaging earlier on potential developments and addressing urban design requirements that are now being seen in actual on-the-ground developments.
33. Infrastructure – Development Capacity
34. Infill development is distributed across the city (excluding the growth cells); local infrastructure needs are undertaken in conjunction with developers or in response to any issues that arise from individual developments. The infrastructure planning approach is to provide for infill;

intensification focuses on the delivery of new or upgraded strategic 'head works' infrastructure in response to projected growth demands. These include the upgrade to water and wastewater treatment plants, new and upgraded wastewater interceptors, water bulk mains, reservoirs and strategic pump stations, and arterial roading.

35. Strategic infrastructure projects are prioritised and funded via rates and development contributions ('DCs') through the 10-year plan process. Local infrastructure is provided as either part of individual developments at the developer's expense or as part of a development agreement. These agreements are usually put in place when there is a need to 'up-size' infrastructure to respond to needs of growth wider than that of the specific development.
36. If funding is not available from the annual plan budget, a proposal would be presented to the Council to consider funding in accordance with the Growth Funding Policy.
37. Recreational Open Space and Community Facilities
38. Specific open space requirements for infill and intensification areas will be determined at the time of developing a detailed open space network plan for the city. This will follow on from the Council's Open Space Provision Policy that is currently under development. In the current 10-Year Plan ('10YP') there are both playground renewals and new playgrounds identified.
39. Clarification of Development Contributions
40. Development contributions are collected for infill developments within the residential general zone, and intensification developments in the Residential Intensification zone and suburban centre zones. However, in accordance with the Council's 2016/17 Development Contributions Policy ('the Policy') the opportunity for a DC remission is available for developments in the Central City zone meeting one or more of the following criteria (Section 18.15, the Policy):
 - commercial/retail or residential activity within the CBD area
 - employment opportunities within the CBD area
 - public space and amenity values within the CBD area
 - urban design outcomes in the CBD.
41. In accordance with Section 18 of the Policy, the decision to grant a remission is at the sole discretion of the Council and only upon receipt of a formal application. Any remission given will be either a part of, or all of the DC levied on the individual development in the Central City zone.

Financial Considerations

42. There are no financial implications in relation to the information provided in this report. Note, however, long-term development of infrastructure requirements to sustain future infill and intensification will need to be addressed via the long-term planning process.

Legal and Policy Considerations

43. Not applicable; this report is for information purposes only.

Cultural Considerations

44. Not applicable; this report is for information purposes only.

Sustainability Considerations

45. Not applicable; this report is for information purposes only.

Risks

46. There are no known risks associated with this matter.

Significance & Engagement Policy

Significance

47. Having considered the Significance and Engagement Policy, staff have assessed that the matters outlined in this report are of low significance.

Engagement

48. Not applicable; this report is for information purposes only.

Attachments

Attachment 1 - Locality Plan

Attachment 2 - Densities

Attachment 3 - Residential Planning Provisions

Attachment 4 - Business Planning Provisions

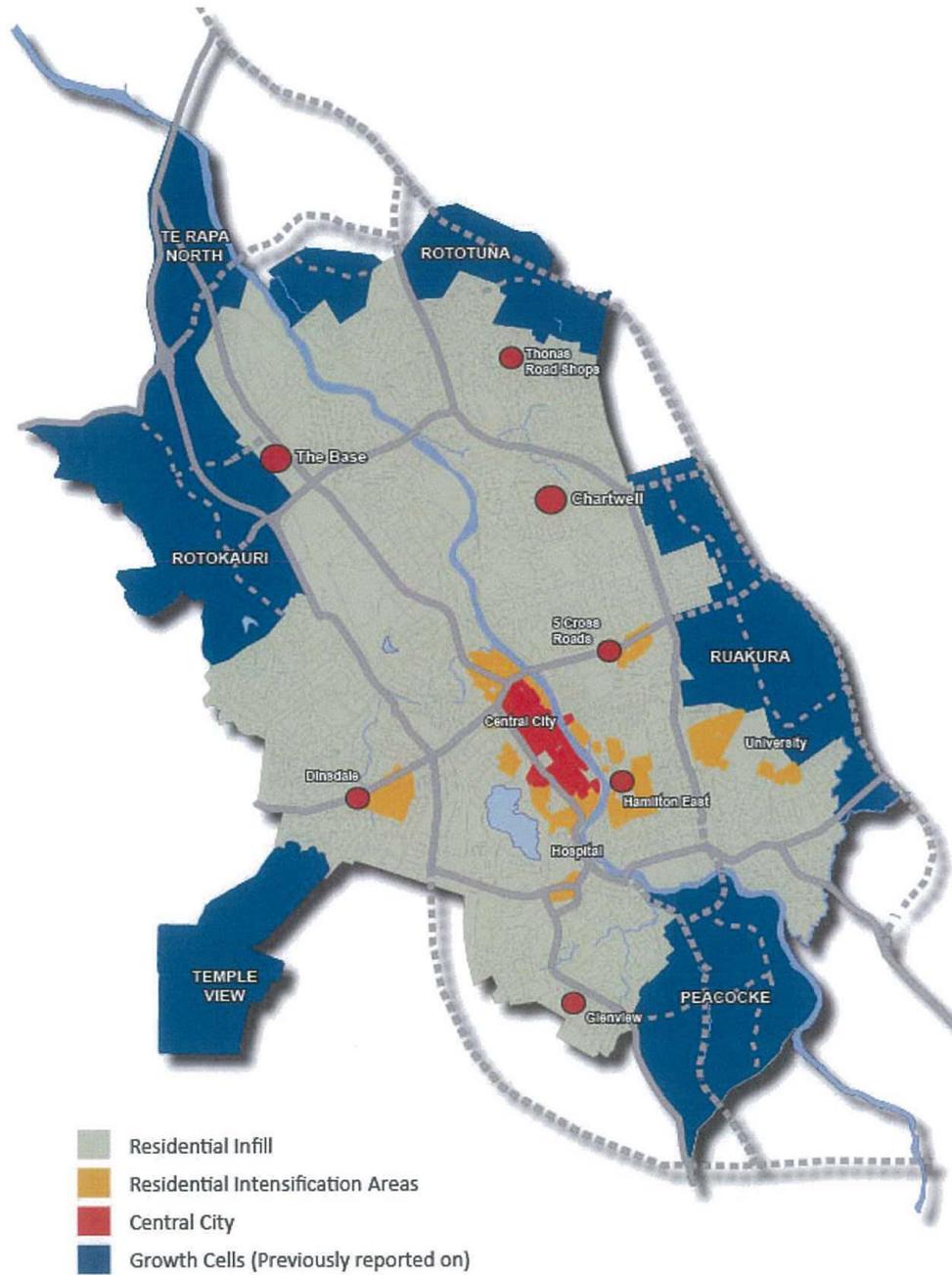
Attachment 5 - Typology examples

Attachment 6 - Infill Type Trends

Attachment 7 - Infill vs Greenfield Trends

Infill and Intensification – Attachments:

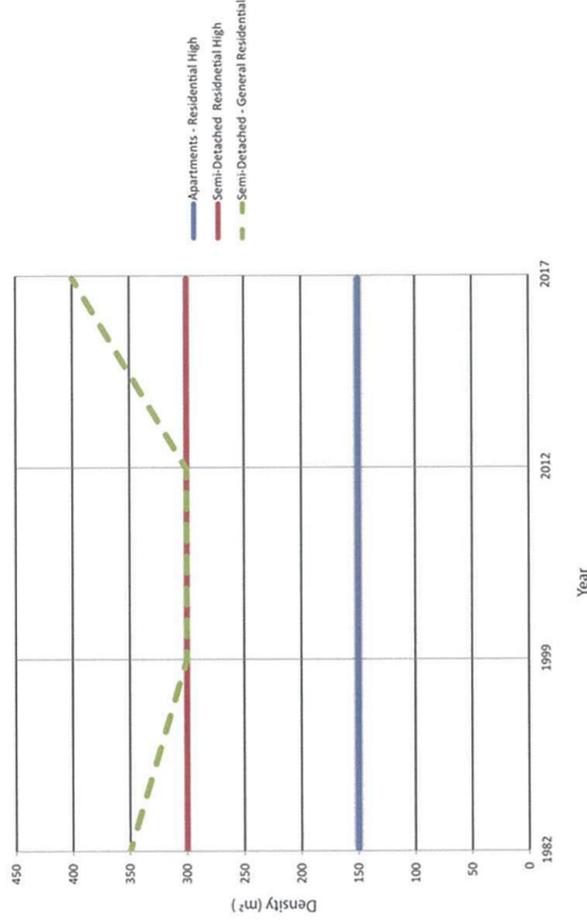
Attachment 1: Locality Plan



Comparison of standards 1982 – 2017 for Multi-Unit Development

During 1982 to 2017 densities for:

- apartments has been constant;
- multi-unit developments have fluctuated between 300m² and 400m²



Attachment 3A: Residential Planning Provisions

Type	Residential zoning		Residential Intensification		
	General Residential		Residential Intensification		
	Activity Status	Provisions (per residential unit)	Activity Status	Provisions (per residential unit)	
Single Dwelling	Permitted	400m ² density 40% site coverage 30% permeability	10m height 60m ² outdoor living area 20m ² service area	Discretionary	12.5m height 60m ² outdoor living area 20m ² service area
Second and Subsequent Dwelling	Restricted Discretionary (non notified)	400m ² density 40% site coverage 10m height	60m ² outdoor living area 20m ² service area 30% permeability	Discretionary	12.5m height 60m ² outdoor living area 20m ² service area
Ancillary Residential Unit	Permitted	600m ² density 40% site coverage 10m height 30% permeability	60m ² (dwelling) & 12m ² (ancillary unit) outdoor living area 20m ² (dwelling) & 10m ² (ancillary unit) service area	Non Complying	-
Duplex Dwellings	Restricted Discretionary (non notified)	Per unit: 400m ² (200m ² /unit) density 40% site coverage	10m height 60m ² outdoor living area 20m ² service area 30% permeability	Restricted Discretionary (non notified)	12.5m height 12m ² outdoor living area 20m ² service area
Apartments	Discretionary	-	-	Restricted Discretionary	150m ² Average net site area density 50% site coverage 20% permeability
Integrated Residential Developments	Restricted Discretionary	Provisions as per single dwellings, duplexes and apartments typologies set out above	-	Non Complying	-

Attachment 3B: Business Planning Provisions

Type	Business zoning		Business 1 - 7			Note: all new buildings require a RD consent	
	Central City		Provisions (per unit)		Activity Status	Provisions (per unit)	
	Activity Status	Provisions (per unit)	Activity Status	Provisions (per unit)	Activity Status	Provisions (per unit)	
Single Dwelling	Non Complying	-	Discretionary (B6) Non Complying (B1-5, 7)	30 units/ha net density 15m height (B1,2,4,5,7), 10m height (B6) 12m ² outdoor living area 10m ² service area min	Discretionary (B6) Non Complying (B1-5, 7)	30 units/ha net density 15m height (B1,2,4,5,7), 10m height (B6) 12m ² outdoor living area 10m ² service area min	Min floor area 35m ² (studio) 45m ² (1 bed unit), 70m ² (2 bed unit), 90m ² (3+ bed unit)
Second and Subsequent Dwelling	Non Complying	-	Non Complying	-	Non Complying	-	-
Ancillary Residential Unit	Permitted (above ground floor)	Density: 50 units/ha - P1: Downtown 40 units/ha - P2: City Living	Restricted Discretionary (non notified)	30 units/ha - P3: Ferrybank Service area: 10m ² /unit	Restricted Discretionary (non notified)	30 units/ha net density 15m height (B1,2,4,5,7) 10m height (B6) 12m ² outdoor living area	10m ² service area min Min floor area 35m ² (studio) 45m ² (1 bed unit), 70m ² (2 bed unit), 90m ² (3+ bed unit)
Duplex Dwellings	Non Complying	-	Discretionary (B6) Non Complying (B1-5, 7)	-	Discretionary (B6) Non Complying (B1-5, 7)	30 units/ha net density 15m height (B1,2,4,5,7), 10m height (B6) 12m ² outdoor living area	10m ² service area min Min floor area 35m ² (studio) 45m ² (1 bed unit), 70m ² (2 bed unit), 90m ² (3+ bed unit)
Apartments	Permitted	Density: 50 units/ha - P1: Downtown 40 units/ha - P2: City Living	Above ground floor: Restricted Discretionary (non notified) (B1,5,6)	30 units/ha - P3: Ferrybank Service area: 10m ² /unit	Above ground floor: Restricted Discretionary (non notified) (B1,5,6)	30 units/ha net density 15m height (B1,2,4,5,7) 10m height (B6) 12m ² outdoor living area	10m ² service area min Min floor area 35m ² (studio) 45m ² (1 bed unit), 70m ² (2 bed unit), 90m ² (3+ bed unit)
Integrated Residential Developments	Non Complying	-	Non Complying	-	Non Complying	-	-

Attachment 4: Typology examples

Building Typologies: Duplexes in the Residential zone



Building Typologies: Apartments in the Residential Intensification zone



Integrated Residential Developments

A development containing a mixture of residential units (single dwellings, duplexes, apartments) on a site designed as a comprehensive and integrated development with shared facilities.

For Example:

- Retirement Villages
- mixed typology clustering such as Harrowfield



Hilda Ross Retirement Village



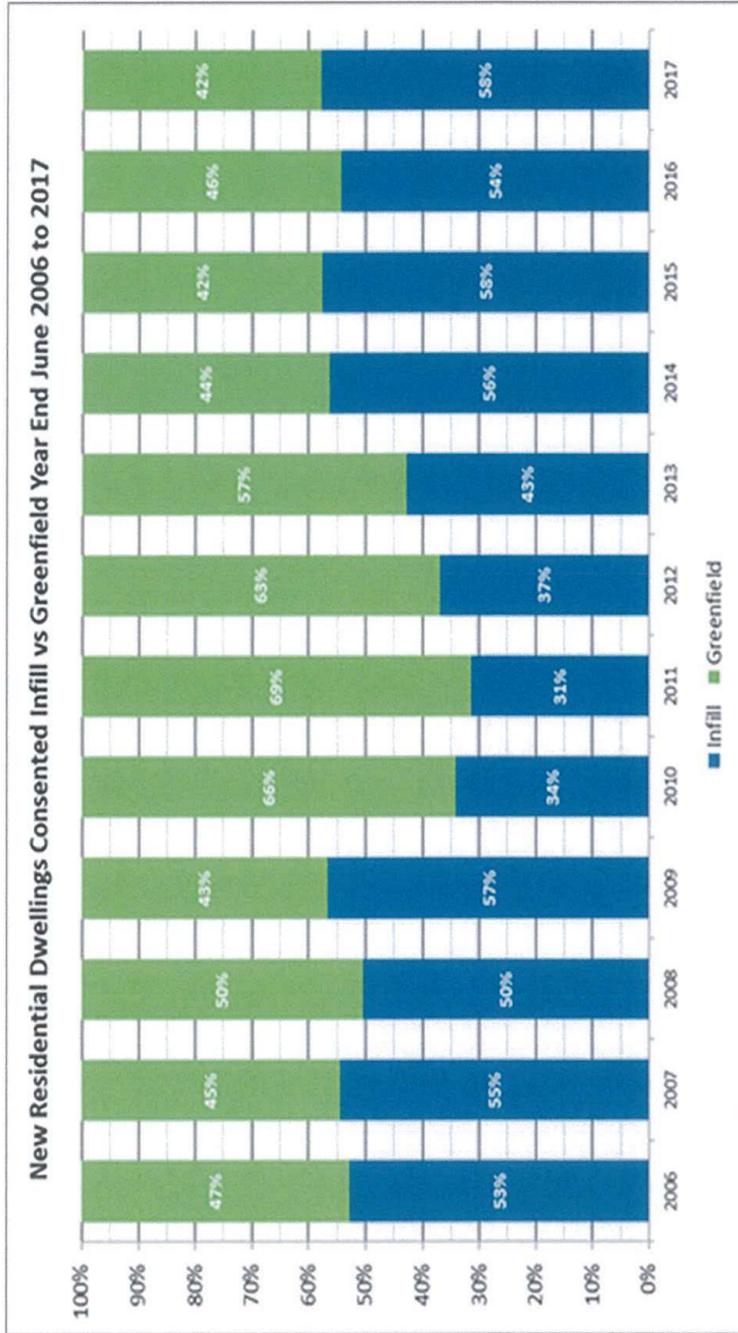
Building Typologies: Apartments in the Business zone



Attachment 5A: Infill type Trends



Attachment 5B: Infill vs. Greenfield Trends



Council Report

Item 10

Committee: Growth and Infrastructure Committee
Date: 20 February 2018
Author: Greg Carstens
Authoriser: Kelvyn Eglinton
Position: Team Leader Growth Funding and Analytics
Position: General Manager City Growth
Report Name: Development Contributions Remissions Quarter 2 2018

Report Status	<i>Open</i>
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Purpose

1. To inform the Committee on approved development contribution (“DC”) remissions and Private Developer Agreements (“PDAs”) during the period 1 October 2017 to 31 December 2017 (Q2 2018).

Staff Recommendation

That the Growth and Infrastructure Committee receives the report.

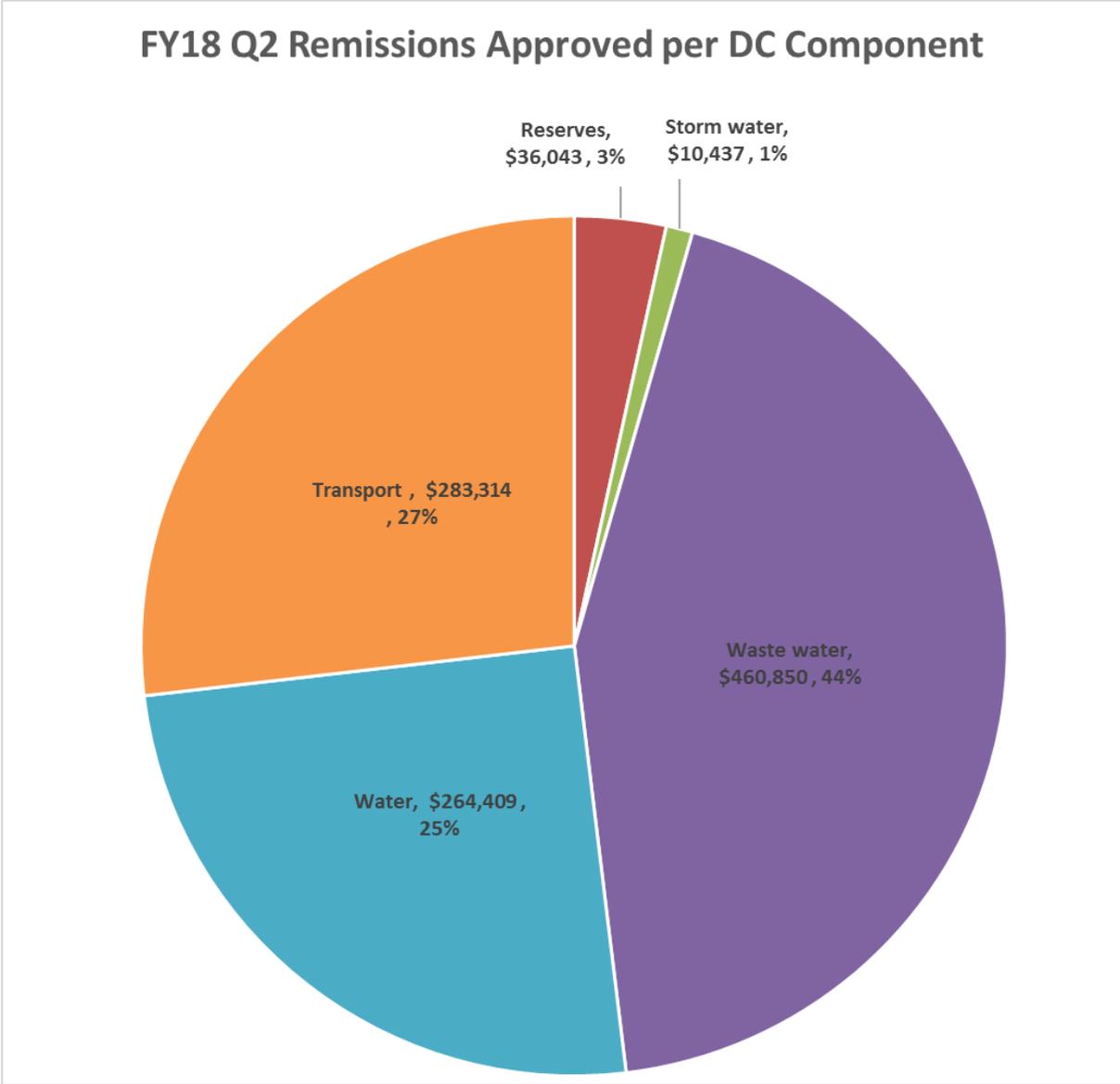
Background

2. The Council’s Development Contributions Policy allows for three types of remissions:
 - Actual demand remissions
 - Private Developer Agreements (PDAs)
 - CBD remissions

Actual demand remissions and PDAs rely on the developer supplying appropriate evidence of a reduction in actual demand. A CBD remission will be approved where it is deemed to improve the vitality and functionality of the CBD.

Summary

3. Council approved eight DC remissions with a total value of \$1,056,389 in Q2 2018, 1 October 2017 to 31 December 2017.
4. Seven CBD remissions totalling \$970,069 and an actual demand remission of \$86,320 were approved. The most significant of these was a CBD remission for visitor accommodation and apartments of \$658,346.
5. All approved remissions presented in this report satisfied the requirements for a reduction in DCs payable as set out in the DC Policy.
6. DC remissions are calculated by individual activity components. The graph below shows the percentage of the total remissions (\$1,056,389.00) granted attributed to each DC component.



Attachments

Attachment 1 - 2018 Q2 Remissions Table

Attachment 1: 2018 Q2 Remissions Report												
Actual demand remission				Amount remitted (\$ excl. GST)								
Address	Developer	Development description & Development Contributions Officer details/comments	Consent number	Applicable policy	Original DC assessment	Water	Waste water	Storm water	Transport	Reserves	Final DC assessment	Remission granted
1388 Arthur Porter Drive	GT Murtagh Family Trust	Office (400m ²) and Warehouse (3,000m ²). Rotokauri industrial land, similar to another Murtagh development in Arthur Porter Drive . The both site have had remissions approved on the basis of a NZTA transport report.	007.2017.36353.1	2017/18	\$ 134,051	\$ -	\$ -	\$ -	\$ 86,320	\$ -	\$ 47,731	\$ 86,320
					\$ 134,051	\$ -	\$ -	\$ -	\$ 86,320	\$ -	\$ 47,731	\$ 86,320
CBD Remission				Amount remitted (\$ excl. GST)								
Address	Developer	Development description	Consent number	Applicable policy	Original DC assessment	Water	Waste water	Storm water	Transport	Reserves	Final DC assessment	Remission granted
611 + 633 Victoria Street	Fosters Develop Ltd	Visitor accommodation and apartments (3,000m ² site area, 5157m ² commercial, residential 25 units, 11 stories).	010.2017.9293.1	2016/17	\$ 658,346	\$ 176,528	\$ 316,287	\$ -	\$ 143,731	\$ 21,800	\$ -	\$ 658,346
517 Anglesea St	Anglesea Collective Ltd	2nd floor of commercial building add one ancillary residential unit to existing unit on floor.	010.2017.9383.1	2017/18	\$ 5,813	\$ 1,718	\$ 2,894	\$ 213	\$ 697	\$ 291	\$ -	\$ 5,813
1 Vialou St	Hatwell Property Ltd	Industrial building extension of 309m ² .	010.2017.9301.1 & 011.2017.6442.1	2017/18	\$ 17,161	\$ 3,334	\$ 8,015	\$ -	\$ 5,812	\$ -	\$ -	\$ 17,161
13-25 Thackery St	Anglesea Medical Properties Ltd	Anglesea Medical Centre- New café & retail tenancies.	007.2017.35644.1	2017/18	\$ 35,751	\$ 5,280	\$ 7,328	\$ -	\$ 23,143	\$ -	\$ -	\$ 35,751
427 Victoria Street	Pinpoint Properties	115m ² first floor industrial to commercial office conversion.	007.2017.35577.1	2017/18	\$ 2,601	\$ 560	\$ 692	\$ -	\$ 1,349	\$ -	\$ -	\$ 2,601
18 Vialou St	BC Harvey Industries Ltd	5 story residential apartment building comprising 16 apartments (8 2-bedroom, 4 3-bedroom, 4 4-bedroom)	010.2017.9481.1	2017/18	\$ 249,916	\$ 76,834	\$ 125,308	\$ 10,224	\$ 23,598	\$ 13,952	\$ -	\$ 249,916
116A London St	TWR Fitness	Fitness facility Kickboxing & functional training (177m ²).	007.2017.36640.1	2017/18	\$ 481	\$ 155	\$ 326	\$ -	\$ -	\$ -	\$ -	\$ 481
					\$ 970,069	\$ 264,409	\$ 460,850	\$ 10,437	\$ 198,330	\$ 36,043	\$ -	\$ 970,069
Grand Total					\$ 1,104,120	\$ 264,409	\$ 460,850	\$ 10,437	\$ 284,650	\$ 36,043	\$ 47,731	\$ 1,056,389

Council Report

Item 11

Committee: Growth and Infrastructure Committee
Date: 20 February 2018

Author: Robyn Denton
Authoriser: Chris Allen

Position: Network Operations Team Leader
Position: General Manager City Infrastructure

Report Name: Access Hamilton Taskforce - Revised Terms of Reference

Report Status	<i>Open</i>
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Purpose

1. To seek approval from the Growth and Infrastructure Committee for a revised Terms of Reference for the Access Hamilton Taskforce.
2. To seek approval to disestablish the Speed Management Taskforce.

Staff Recommendation

That the Growth and Infrastructure Committee:

- a) receives the report;
- b) approves the revised Terms of Reference for the Access Hamilton Taskforce in accordance with Terms of Reference attached to this report; and
- c) approves the disestablishment of the Speed Management Taskforce.

Background

3. The Access Hamilton Taskforce was established at the Council meeting of 13 December 2016 with the purpose being *'to recommend a revised Access Hamilton Strategy to Growth and Infrastructure Committee for adoption'*.
4. The Access Hamilton Strategy redevelopment work has been completed with the Programme Business Case and proposed Transport Improvement Programme being adopted at the Growth and Infrastructure Committee meeting on 24 October 2017.
5. It is therefore proposed to update the current Access Hamilton Taskforce Terms of Reference (Attachment 1) to enable councillor input into the implementation of the Access Hamilton Transport Improvement Programme.
6. Speed Management is an integral part of Access Hamilton and will be delivered through the Transport Improvement Programme. It is therefore proposed to disestablish the Speed Management Taskforce which was established at the Growth and Infrastructure Committee meeting on 28 March 2017 and have any speed management activities dealt with by the Access Hamilton Taskforce (a copy of the Speed Management Taskforce terms of reference is

Item 11

included as Attachment 2). The speed management activity is reflected in the revised Terms of Reference for the Access Hamilton Taskforce.

7. It is also proposed that once the Central City Parking trial has been completed (programmed for mid 2018), it is anticipated that parking activities will also be able to be included in the through the revised Access Hamilton Taskforce.
8. The proposed amalgamation of the three transport related taskforces (Access Hamilton, Speed Management and Central City Parking) will reduce the number of taskforce meetings that are being held, and will allow for connected discussions on all activities related to transport activities and the delivery of Access Hamilton.
9. Depending on the topic's being discussed at the Transport Improvement Programme taskforce meeting, external stakeholders such as NZ Police, NZ Transport Agency and Waikato Regional Council) would also be invited to attend and participate.
10. A copy of the revised terms of reference for the Access Hamilton Taskforce are included in this report as Attachment 3.

Attachments

Attachment 1 - Current Access Hamilton Taskforce terms of reference

Attachment 2 - Current Speed Management Taskforce terms of reference

Attachment 3 - Revised Terms of Reference for the Access Hamilton Taskforce .

ATTACHMENT 1**Task Force– Access Hamilton Strategy; Task Force Terms of Reference**

Chairperson:	Chair Growth and Infrastructure Committee - Cr Macpherson
Elected Members:	Deputy Chair Growth and Infrastructure Committee - Cr Taylor 2 Elected Members to be determined Mayor – ex officio
External Members :	Nil (noting that engagement with stakeholders will be undertaken)
Support Staff:	Chris Allen – General Manager City Infrastructure Jason Harrison – Unit Manager City Transportation Katherine Johns - Strategic Transport Planner Andrew Parsons - Unit Manager City Development Julie Clausen - Programme Manager, Strategy Support and other staff to be nominated and agreed at first Task Force meeting.
Date Established:	13 December 2016 (Council Resolution)
Reporting Back Date:	20 June 2017
Appointing Committee:	Council
Reporting Committee:	Growth and Infrastructure Committee
Purpose:	To recommend a revised Access Hamilton Strategy to Growth and Infrastructure Committee for adoption.

<p>Terms of Reference:</p>	<p>To consider and recommend the work undertaken on the strategic business case that underpins a revised Access Hamilton Strategy and in particular to:</p> <ul style="list-style-type: none"> • Ensure proper regard is given to the Hamilton Plan and the transport objective of the Partly Operative District Plan • Ensure there is alignment with national and regional transport policy and transport interventions by others such as the Waikato Expressway. • Ensure there is alignment with any agreed land use settlement pattern approved by Council including taking into account future projected growth assumptions across the sub-region • Ensure the correct problems have been identified and the correct benefits to be gained by transport investment have been articulated • Ensure appropriate consultation with stakeholders and others is undertaken • Give direction to staff on how best to present the strategic business case to Growth and Infrastructure Committee for adoption. <p>To give guidance on the development of a programme business case (A requirement of NZTA for funding from the National Land Transport Fund) to be approved by the Growth and Infrastructure Committee and recommended to Council. The programme business case will underpin a revised Access Hamilton Transport Strategy and form the basis of any transport priorities for the 2018-28 10-Year Plan and the Regional Land Transport Plan, for Councils consideration.</p>
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**Final Terms of Reference
Taskforce – Speed Management**

Chairperson:	Councillor Tooman
Elected Members:	<ul style="list-style-type: none"> - Councillor Mallett - Councillor Henry - Councillor Casson - Mayor King – ex-officio
External Members:	<p>NZ Police representative – Senior Sargent Peter van de Wetering</p> <p>(noting that engagement with stakeholders will be undertaken at various times, including having them involved in taskforce workshops as applicable)</p>
Support Staff:	<p>Jason Harrison – Manager City Transportation Unit</p> <p>Robyn Denton – Network Operations Team Leader</p>
Date Established:	28 March 2017 (Growth and Infrastructure resolution)
Reporting back date:	Regular reports via GM updates or specific reports as recommended by the Taskforce
Appointing committee:	Growth and Infrastructure Committee
Reporting committee:	Growth and Infrastructure Committee
Purpose:	<p>To provide councillor input into speed related projects including:</p> <ul style="list-style-type: none"> - Speed Management Plan development and delivery (including speed limit reviews) - Review of the HCC Speed Management Policy - Any physical works required to support proposed speed limit changes.

Terms of Reference (reviewed February 2018)
Access Hamilton Taskforce

Chairperson:	Chair - Growth and Infrastructure Committee
Elected Members:	<ul style="list-style-type: none"> - Deputy Chair - Growth and Infrastructure Committee - Mayor – ex-officio <p>(all councillors will be invited to the taskforce meetings)</p>
External:	Engagement with external stakeholders will be undertaken at various times, including being involved in taskforce workshops as applicable
Support Staff:	Manager City Transportation Unit Network Operations Team Leader Strategic Transport Planner Infrastructure Alliance Manager
Date Established:	20 February 2018 (Growth and Infrastructure Committee resolution)
Reporting back date:	Regular reports via GM updates or specific reports as recommended by the Taskforce or requested by the Growth and Infrastructure Committee.
Appointing committee:	Growth and Infrastructure Committee
Reporting committee:	Growth and Infrastructure Committee
Purpose:	To provide councillor input into implementation of the Access Hamilton Transport Improvement Programme including: <ul style="list-style-type: none"> - Development and approval of the annual Discretionary Transport Programme - Speed Management Plan development and delivery (including speed limit reviews) - Other issues/items as requested by the Growth and Infrastructure Committee

D-2566117

Council Report

Item 12

Committee: Growth and Infrastructure Committee
Date: 20 February 2018

Author: Trent Fowles
Authoriser: Chris Allen

Position: Compliance Manager
Position: General Manager City Infrastructure

Report Name: Havelock North Drinking Water Government Inquiry - Outcomes and Implications

Report Status	<i>Open</i>
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Purpose

To inform the Growth and Infrastructure Committee of the high-level outcomes and possible implications for Hamilton's water supply arising from the Havelock North Drinking Water Government Inquiry.

Staff Recommendation

That the Growth and Infrastructure Committee receives the report

Executive Summary

2. In September 2016, the Government initiated an Inquiry into the Havelock North water supply contamination event that occurred in August 2016 causing over 5000 residents of Havelock North becoming ill.
3. Two Inquiry reports have been released which identify a range of factors that contributed to the contamination event occurring and have recommended improvements to the way in which drinking water supplies are managed nationally.
4. The recommendations include improvements to the oversight of water suppliers, legislative and policy changes, improvements to risk identification and mitigation processes and mandatory treatment requirements.
5. The Director General of Health, in response to the Inquiry recommendation to require mandatory treatment has issued a statement to drinking water suppliers advising that to provide adequate protection to public health, suppliers providing drinking-water to untreated networked supplies should consider implementing appropriate and effective treatment without delay.
6. Hamilton already provides appropriate and effective treatment. A comprehensive risk based approach is undertaken to manage the water supply and multibarrier treatment processes are in place. A high level of regulatory compliance is consistently achieved.
7. The detail of how recommendations from the Inquiry will be implemented is still emerging. Staff are continuing to monitor Government response to understand any potential implications resulting from the Inquiry. Regular updates to the Growth and Infrastructure committee will be provided as new significant details emerge.

8. Staff consider the matters in this report have low significance.

Background

9. Hamilton's water supply is fully compliant with the current New Zealand Drinking Water Standards, the Health Act and has a comprehensive approved and audited Water Safety Plan (WSP) in place that identifies potential risks and details how they are managed.
10. Hamilton's water supply has been assessed as having a Ministry of Health 'Aa' grading which indicates our water supply, treatment process and distribution system is managed to ensure there is an extremely low risk of contamination occurring to the drinking water we provide to the Hamilton community.
11. In August 2016, a major outbreak of Campylobacteriosis occurred in Havelock North and resulted in more than 5000 people falling ill. Investigations confirmed contamination of the towns untreated ground water supply was the cause of the widespread illness that occurred.
12. In September 2016 in response to the contamination event, the Government established an Inquiry to investigate and report on the outbreak. The Inquiry consisted of two stages:
 - Stage 1: Identification of the contributing factors that lead to the event.
 - Stage 2: Identification of how the safety of drinking water in New Zealand could be improved, based on the learnings from the Havelock North event.
13. The August 2016 Havelock North contamination event was associated with an untreated ground water supply. This is quite different to Hamilton's water supply where water is abstracted from the Waikato River (surface water) and a multi-barrier risk management approach is taken, including advanced treatment, to ensure drinking water is protected from contamination all the way from the Waikato River to tap.
14. The quality and compliance of Hamilton's water supply is currently assessed by Drinking Water Assessors (DWA's) employed by the Waikato District Health Board (WDHB) on behalf of the Ministry of Health. Oversight includes assessment of compliance against drinking water regulations and standards, as well as the assessment and approval of water safety plans.
15. Recent media coverage has highlighted that the WDHB has recently had its IANZ accreditation suspended for drinking water assessment services. Advice from WDHB is that they will continue to discharge all their obligations under their contract with the Ministry of Health and that all statutory powers and duties of Medical Officers of Health and DWA's remain unaffected by IANZ's decision.

Discussion

16. Stage 1 Report
17. The Havelock North Drinking Water Government Inquiry Stage 1 report was released in May 2017 and identified the causes of the water contamination incident and assessed the conduct of those responsible for providing safe drinking water in Havelock North.
18. The key findings arising from the stage 1 report highlighted the importance of several elements that it deemed necessary for a well-managed water supply that were either not in place or had failed in the lead up to the Havelock North drinking water event. The elements identified in the report were:
 - Assessment of ground water supply confined status and bore head security
 - Collaboration and liaison between all parties with responsibilities associated with the management of water supplies to ensure the protection of public health (Regional Councils, District/City Councils, Water suppliers and Drinking Water Assessors).

- Integrated catchment management and risk assessment.
 - Verification of the completion of improvement actions designed to mitigate risk
 - Trend analysis of water supply performance (warning signs for potential issues)
 - Documented maintenance programmes
 - Documented and tested contingency and emergency response plans
19. Stage 2 Report
20. The Havelock North Drinking Water Government Inquiry Stage 2 report was released in December 2017 and outlined a number of recommended improvements which are proposed to be applied at a national level.
21. The Stage 2 report recommendations fall into the following broad categories:
- Establishment of a national Drinking Water Regulator
 - Create dedicated and aggregated drinking water suppliers
 - Changes to key regulatory documents – Drinking Water Standards NZ, Health Act, Resource Management Act and National Environmental Standards.
 - Review of current requirements of Water Safety Plans
 - Mandatory universal water treatment
 - Industry licencing and Qualification framework
 - Changes to sampling and testing laboratories accreditation
 - Co-ordinated emergency response planning
22. Indications are that most, if not all, of the Inquiry recommendations will be endorsed and implemented by the Government.
23. Director General of Health Statement
24. In December 2017, following the release of the Stage two inquiry report, the Director General of Health issued a statement to drinking water suppliers and drinking water assessors, advising that:
- Protection of drinking-water sources is of paramount importance and a founding principle of drinking-water safety;
 - Every drinking water supplier must contribute to the protection of drinking water sources;
 - The risk to the public is increased if drinking- water is untreated
 - To provide adequate protection to public health, suppliers providing drinking-water to untreated networked supplies should consider implementing appropriate and effective treatment without delay; and
 - Should consider their reliance on secure bore water status as a means of providing safe drinking-water.
25. Staff responded by confirming that the provision of safe drinking water for Hamilton residents was of paramount importance, that the Hamilton water supply was treated and that we did not rely on secure bore water status as a means of providing safe drinking water.
26. Advice from Society Of Local Government Managers (SOLGM)
27. Advice from the SOLGM Business Performance Working Party, in consultation with the Office of Auditor-General, has provided guidance and clarity around how the emerging issues from the Stage 2 Inquiry report should be addressed in the draft 2018-28 10-Year Plan.

28. The working party are of the view that increasing Drinking Water Standards, particularly in relation to ground or bore water compliance criteria, are likely to occur. They believe that it is reasonable that Councils make appropriate financial and funding provisions in their draft 10-Year Plans based on the best information available.
29. Implications for Hamilton's water supply
30. An assessment of the emerging implications of the Inquiry on Hamilton's Water supply has been undertaken by staff and is outlined in Attachment 1. In summary, the assessment identifies:
- That as Hamilton's water supply has a multibarrier treatment system in place which consistently achieves a high level of compliance with drinking regulations, it is not anticipated that treatment processes require immediate improvement in response to the Inquiry.
 - That it is likely that new training and competency requirements will be implemented throughout the water industry. An allowance for two additional treatment plant staff in City Waters and the refocusing of existing City Delivery staff to solely focus on operational and maintenance activities has been proposed in the draft 2018-28 10-year plan to pre-empt the impact of training.
 - That details of how the other recommendations will be implemented are still emerging and there is currently insufficient information to determine the full impacts of the Inquiry on Hamilton's water supply. Staff are actively engaged in monitoring progress.

Financial Considerations

31. The full funding implications of the Inquiry recommendations will not be known until the detailed implementation methods have been determined.
32. Financial provision in the draft 2018-28 10-Year plan has been made for two additional treatment plant operational staff and refocusing existing City Delivery staff to operational and maintenance activities. These proposals are to, in part, enable staffing capacity to respond to the training and competency recommendations from the Inquiry.

Risks

33. The methods for implementation of the Inquiry recommendations are unknown. As the implementation methods become clearer additional impacts on water activities may be identified. To mitigate this risk staff are actively monitoring and participating in the development of industry appropriate methods.
34. That the implementation of recommendations may require additional funding above the draft 2018-28 10-year plan budgets.

Significance & Engagement Policy

Significance

35. Having considered the Significance and Engagement Policy, staff have assessed that the matters outlined in this report are of low significance.

Attachments

Attachment 1 - Havelock North Government Inquiry - Summary of Stage 2 Report Outcomes and Implications - January 2018 (*Under Separate Cover*).

Council Report

Item 13

Committee: Growth and Infrastructure Committee
Date: 20 February 2018
Author: Trent Fowles
Authoriser: Chris Allen
Position: Compliance Manager
Position: General Manager City Infrastructure
Report Name: Cost and Implications of Extending Current Range of Plastics Collected at Kerbside

Report Status	<i>Open</i>
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Purpose

1. To inform the Growth and Infrastructure Committee on the costs and implications of extending the current range of plastics collected at the kerbside.

Staff Recommendation

That the Growth and Infrastructure Committee:

- a) receives the report,
- b) approves option 1 - retain the current kerbside collection service; and
- c) notes that the proposed 2020 kerbside rubbish and recycling collection service includes the collection and recycling of plastics 1-7.

Executive Summary

2. On 5 December 2017, the Growth and Infrastructure Committee received a petition from the community to extend the plastics collected through the Council kerbside recycling service to include all plastics 1 to 7.
3. In response to the petition the Growth and Infrastructure Committee resolved:
That staff report back to the February 2018 Growth and Infrastructure Meeting on the annual cost and other issues of collecting plastics 3-7 as part of the existing contract arrangements.
4. Staff approached the incumbent contractor to understand the cost and feasibility of introducing the collection of plastics 3 – 7 to the existing service.
5. The rate of growth in Hamilton means that the current kerbside fleet is running near to capacity and any changes to the materials collected would require investment in new trucks.
6. Staff recommend that the current service is maintained until 30 June 2020, when the new service will start which includes collecting plastics 1-7.
7. Staff consider the matters in this report have medium significance and that the recommendations comply with the Council's legal requirements.

Background

8. In October and November 2016 Hamilton City Council consulted with the community on changing the kerbside rubbish and recycling service. The Council received 2793 submissions, and of these submissions 84% indicated they wish to have more recycling options. In 2017 a tender process was conducted for the kerbside service and operation of the transfer station and Hamilton Organics Centre.
9. At the Council meeting on 7 December 2017 Council approved an alternative kerbside rubbish and recycling proposal for inclusion in the draft 2018-28 10 Year Plan. The proposal is for rubbish to be collected fortnightly in a 120 litre wheelie bin, recycling (including plastics 1-7, glass, paper, tins and cans) to be collected fortnightly in a 240 litre wheelie bin and food to be collected weekly in a 23 litre bin.
10. In September 2017, two community members with support from GoEco (formally Waikato Environment Centre) started a petition for Hamilton City Council to consider introducing a kerbside collection for plastics 3-7 on top of the existing collection.
11. On 5 December 2017, the Growth and Infrastructure Committee received the petition concerning extending kerbside recycling to all plastics.
12. As directed by the Growth and Infrastructure Committee staff have investigated whether the recycling of plastics 3 – 7 can be introduced as part of the current collection system, ahead of the 1 July 2020 introduction of a new kerbside service.
13. The current kerbside collection system is up to 2 recycling crates for glass, plastics 1 and 2 and tins and cans, paper and cardboard bundled together and up to 2 rubbish bags with a maximum weight of 20kg each.
14. The numbers 1 to 7 refer to the 7 plastic identification numbers that help manufacturers and recyclers know what polymer the material is made from. A description of each of the 7 codes and examples of the common products are outlined in Attachment 1.

Discussion

15. Staff considered that the inclusion of plastics 3-7 in the current crate would be the simplest approach to introducing a complete plastics 1-7 collection prior to the proposed change in service from 1 July 2020.
16. Staff approached the incumbent contractor to ascertain the feasibility of collecting plastics 3 – 7 in the recycling crate as part of the current kerbside service.
17. The contractor raised the following concerns regarding expanding the current service and to support a decision not to provide a price for this:
 - Occupational, health and safety – this is already a high concern for the contractor and the additional material would increase this risk.
 - Fleet capacity – there is no additional space on the trucks to kerbside sort an additional recyclable material.
 - Extending the fleet – new trucks would need to be purchased to pick up the additional material. To make new trucks viable a contract period of greater than the remaining 2 years would be required.
18. The incumbent contractor provided an alternative option to staff that is outlined in a separate report in the publicly excluded section of the meeting due to inclusion of costings that are commercially sensitive. It is based on introducing a wheelie bin service.
19. There are many households that already utilise two recycling crates each week to the maximum capacity. If additional crates were introduced for plastics 3-7 then, as well as the

above concerns raised by the contractor, the crates will only be used for recycling collection for 2 years before the introduction of a new kerbside service. (Crates do not feature in the proposed new service).

Recycling of plastics 3 – 7

20. The recycling commodities market for plastics 3 -7 has been significantly impacted by China's Green Sword policy. The introduction of the policy was signalled in February 2017 and came into effect at the end of December 2017. Green sword is effectively a ban on the import of 24 types of solid waste into China. For some plastics, this means that anything with more than 0.5 percent contamination cannot be imported. Global markets are starting to slowly respond to the change in China's rules regarding waste imports.
21. The Central Government has made recent announcements regarding waste minimisation, which includes reviewing the implementation of the Waste Minimisation Act 2008 and creating more onshore processing facilities.
22. The current market for plastics 3-7 is uncertain and there are some locations in New Zealand that are stockpiling this material and there is a high probability that stockpiling will increase. Currently plastics 3-7 that are contaminated have no value and there is a risk that in the short term this material will be landfilled.
23. These market and government responses are likely to see a change in the way that plastics are recycled in the next few years, as investment in infrastructure and markets increases.

Options

24. Staff have assessed that there are three options. This assessment reflects the level of significance and the current context with respect to the kerbside rubbish and recycling service review and the 10-year plan. The options are set out below:
25. Option 1 - maintain the current level of service for the collection of kerbside rubbish and recycling until 30 June 2020. There are no cost implications of this option.
26. Option 2 - maintain the current level of service for the kerbside collection and investigate the viability of introducing public drop off for plastics 3 – 7 at sites in Hamilton, including potential Council owned facilities. Cost implications of this option are either accessing additional funds from the waste minimisation reserve or delaying other priority projects.
27. Option 3 – Introduce collection of plastics 3-7 with reference to the costing information in the public excluded report.
28. Staff recommend Option 1 because it minimises the risk for Council in relation to the current issues with the market for plastics 3 – 7 and enables staff to focus resources on projects that will have a greater impact on diversion from landfill and waste reduction in both the short and long term.

Financial Considerations

29. The costs of Option 1 - maintaining the current kerbside service are budgeted for as part of the current Annual Plan and the proposed 2018-28 10 Year Plan. No additional funding is required.

Costs associated with option 2 are currently unknown and further investigation and analysis would be required as to the potential sites and associated costs. The costs of investigating option 2 could be met by the waste levy budget. The waste levy budget spend for 2017/18 is tracking above the waste levy revenue received by Hamilton City Council from the Ministry for the Environment. Staff will have

to access the waste minimisation reserve or delay priority projects if option 2 is selected. There is no current funding to implement option 3. **Legal and Policy Considerations**

32. Staff confirm that all options comply with the Council's legal and policy requirements and are in line with both the Council's 2012 Waste Management and Minimisation Plan and the proposed 2018-2024 Waste Management and Minimisation Plan.

Sustainability Considerations

33. Staff have developed a waste minimisation education plan that is based on the waste hierarchy, which is an internationally-used approach to waste management and minimisation. The hierarchy prioritises reducing and reusing above recycling. Whilst recycling plastics 3-7 is better than disposal, there is still a lot of education that can be done to minimise the use of the plastics in the first place. Focusing on education and awareness now will support the proposed service change for 2020.
34. In 2017/18 the Council funded a project for Plastic Free July through the Waste Minimisation Contestable Fund.

Risks

35. By maintaining the current service until 30 June 2020 there is a perception that the Council has not directly responded to the petition on increasing the kerbside recycling. To minimise this risk the rationale for not introducing the collection of plastics 3-7s will be articulated alongside the many other actions that the Council is taking that will have a larger overall reduction on waste to landfill.
36. If Option 2 is selected there is a potential risk as the market for these materials is experiencing significant challenges at the moment as a result of China's Green Sword policy. This would have to be investigated further as part of the options assessment to ensure that there is a guaranteed market and that the material would not end up in landfill.
37. If Option 2 is approved then staff will continue to investigate different options for the collection of plastics 3 – 7. This will require staff to prioritise this work over the current work program, which includes the delivery of the 2018-2024 Waste Management and Minimisation Plan, the kerbside rubbish and recycling service change and ongoing waste minimisation education programs.
38. If Option 3 is chosen then staff will need to prioritise this work over the current work program, which includes the delivery of the 2018-2024 Waste Management and Minimisation Plan, the kerbside rubbish and recycling service change and ongoing waste minimisation education programs.

Significance & Engagement Policy

Significance

39. Staff considered the following factors under the Significance and Engagement Policy:
Community interest is high.
40. Based on these factors, staff have assessed that the recommendations have medium significance. This means following the decision from the Growth and Infrastructure Committee meeting, a communications plan will be developed to ensure that the community are provided with a clear response to their petition. This will enable the Council to articulate the many other actions underway with waste minimisation and the rationale for the Committee's decision.

Engagement

Community views and preferences are already known to the Council through the petition submitted to Council in December 2017 and from the consultation that was undertaken in October and November 2017 for the proposed 2018-2024 Waste Management and Minimisation Plan. 42.

As part of the communications plan, further engagement with the petition organisers and with Go Eco as the supporting organisation will be recommended.

43. Consultation on the proposed rubbish and recycling kerbside service will occur through the 2018-28 10 Year Plan. This will provide all Hamilton residents with the opportunity to have their say on the introduction of an expanded kerbside service.

Attachments

Attachment 1 - Plastics Recycling Guide by Type .



Plastics Recycling Guide

Material Type Acronym	Plastic Identification Code	Full Polymer Name(s)	Examples of Common Products
PET		Polyethylene Terephthalate	Soft-drink and water bottles, food packaging such as salad domes and biscuit trays
HDPE		High Density Polyethylene	Milk bottles, ice-cream containers, detergent bottles, and shopping bags
PVC		Polyvinyl Chloride Unplasticised: PVC-U Plasticised: PVC-P	Cosmetic containers, pipes, films, wire coatings, and garden hoses
LDPE		Low Density Polyethylene	Film for protection of pallets during transportation, squeezable bottles, rubbish bags, plastic food wrap
PP		Polypropylene	Lunch boxes, microwave containers, straws, packaging film, and dairy food containers
PS		Polystyrene	Plastic cutlery, CD cases, stationery parts, toy parts and plastic 'glassware'
EPS		Expanded Polystyrene	Protective packaging for fragile goods, insulation, clamshell food take-away containers and cups
Other		Acronyms normally specified underneath the identified code e.g. ABS (Acrylonitrile butadiene styrene) or SAN (Santoprene)	Car parts, appliance parts, computers, electronics, water cooler bottles, and other packaging

Definitions of plastic material types adapted from the Plastics Identification Code and copied from Plastics New Zealand (2005), *Research Project Report: Sustainable end-of-life options for plastics in New Zealand*. Retrieved from

<http://www.plastics.org.nz/documents/sustainable-end-of-life-options-for-plastics-i-4.pdf>



Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Growth and Infrastructure Public Excluded Minutes - 5 December 2017) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Cost and Implications of Extending Current Range of Plastics Collected at Kerbside)	
C3. Contract 16234 - Rubbish and Recycling Services and Contract 17045 - Solid Waste Disposal		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C2.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
Item C3.	to enable Council to carry out negotiations	
	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
	to enable Council to carry out negotiations	